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THOMAS L. JUDGE
GOVERNOR

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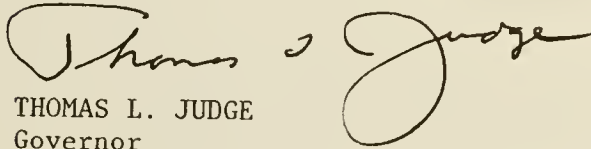
State of Montana
Office of The Governor
Helena, 59601

THOMAS L. JUDGE
GOVERNOR

TO MEMBERS OF THE FORTY-SIXTH LEGISLATURE:

As provided for in Chapter 40, Title 82, R.C.M. 1947, submitted herewith is the Governor's Annual Report for Fiscal Year 1978. The Report reflects Executive Branch agency and program descriptions as well as program benefits and recommendations for improvement. It is emphasized that the recommendations for improvement listed represent recommendations made by the various state agencies. The recommendations may or may not be supported by this administration.

Sincerely,


THOMAS L. JUDGE
Governor



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FOREWARD

INTRODUCTION

The Governor's Annual Report is provided for in Chapter 40, Title 82, R.C.M. 1947. The purpose of the 1978 Report is to provide interested parties a brief summary of program operations and accomplishments for the fiscal year ended June 30, 1978, and to indicate certain agency recommendations for program improvement. Also included are brief descriptions of specific actions taken by agencies regarding the Freedom from Discrimination Act.

It is emphasized that the recommendations reflected in this Report are recommendations offered by state agencies for consideration by the Governor and do not necessarily reflect the views of the Governor.

REPORT FORMAT

The activities of each agency are expressed in terms of programs. A program identifies a related group of service oriented activities within that agency.

For each program the following information is provided:

1. Total disbursements for the fiscal year ended June 30, 1978.
2. Program description which indicates why the program exists.
3. Program benefits to the general public.
4. Recommendations for program improvement as suggested by program personnel.

COMMENTS INVITED

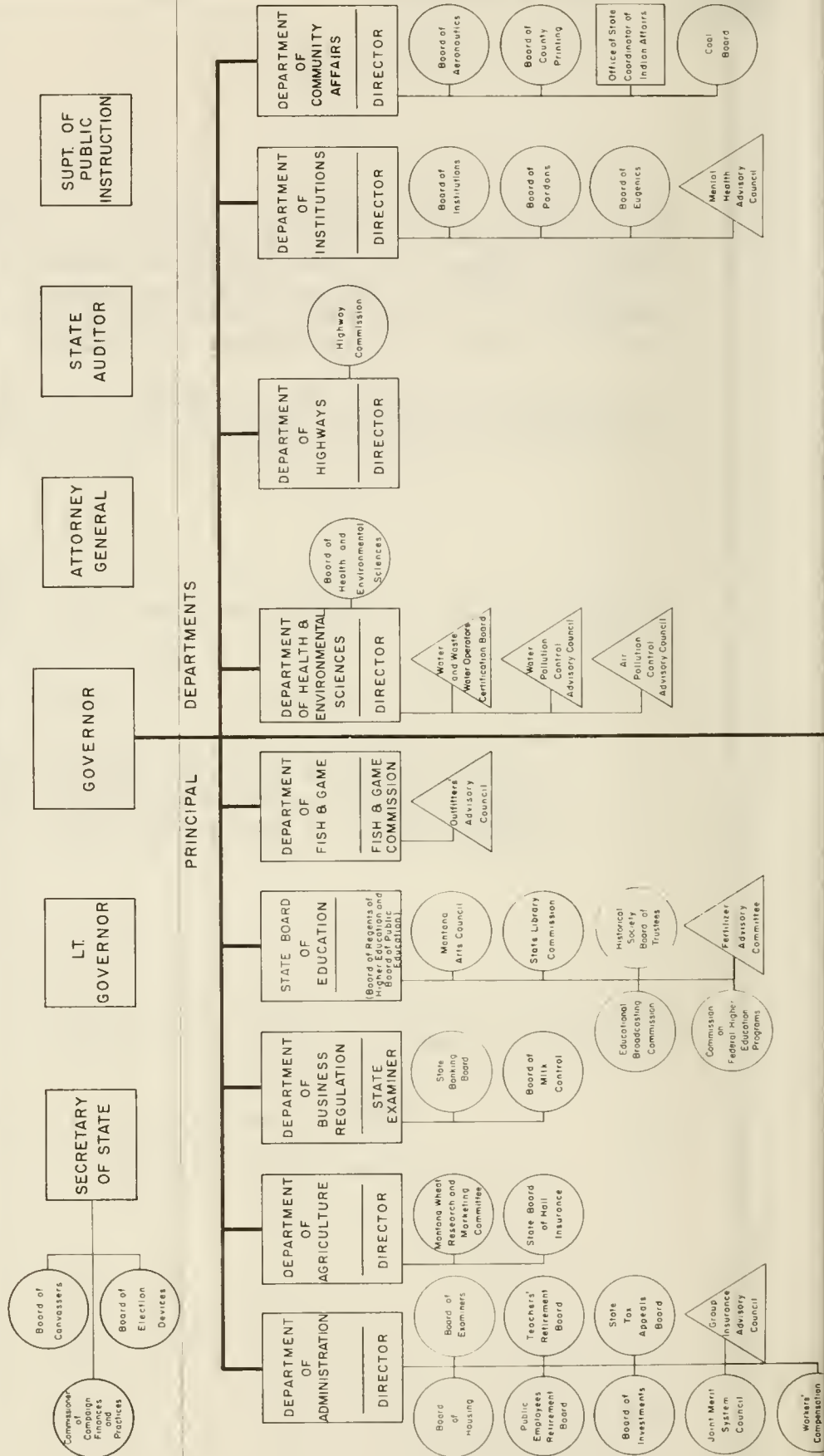
Comments relative to the contents and/or format of the Governor's Annual Report are welcomed. Comments should be forwarded to:

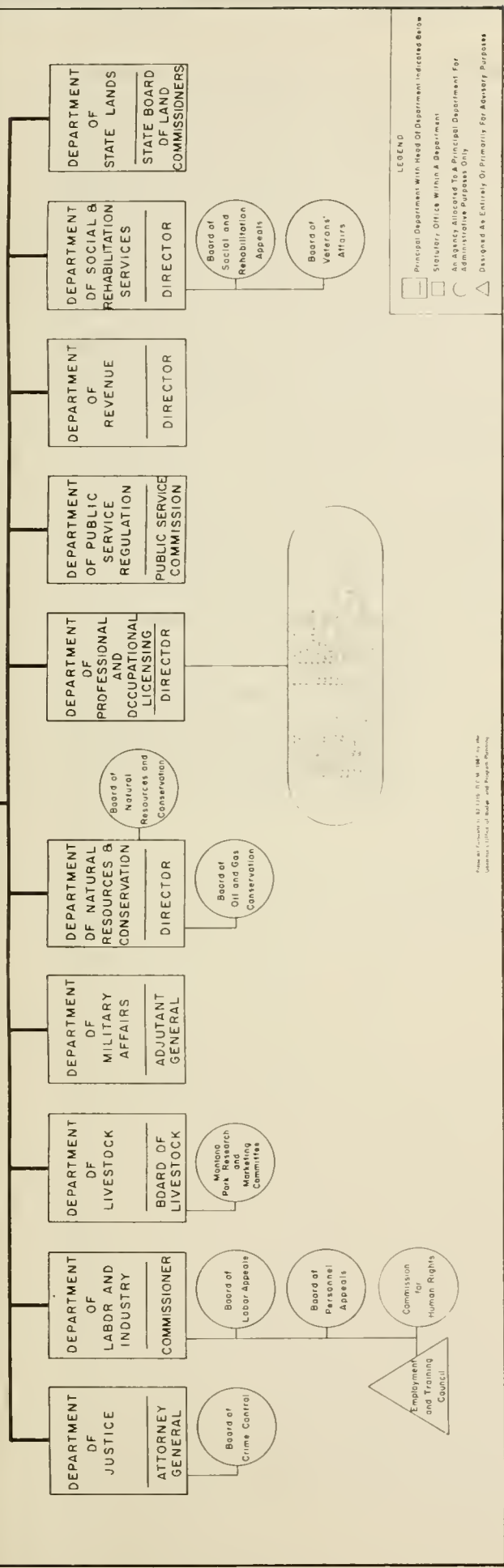
Assistant Director
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State Capitol Building
Helena, Montana 59601

STATE OF MONTANA ORGANIZATION OF THE EXECUTIVE BRANCH

JULY 1, 1977

ELECTED CONSTITUTIONAL OFFICERS





Form and Format: 12-7-75 P.C.M. 1984-1985
Governor's Office of Budget and Program Review



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AGENCY DESCRIPTION:

The Department's major responsibilities include providing centralized services in the following areas: accounting control; financial reporting; Capitol buildings and grounds maintenance; Capitol security; telephone, radio and microwave communication; state building program administration; building codes regulation; data processing; investing state funds; insurance coverage; personnel management and labor relations; purchasing; duplicating, mail and messenger services; management systems; records management; and administering the various retirement systems.

In addition, the State Treasurer, Board of Examiners, State Tax Appeal Board, Workers' Compensation Judge, Board of Investments, Public Employees' Retirement Board, Teachers' Retirement Board, and the Merit System Council are attached to the Department for administrative purposes only.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

All state departments have working affirmative action programs for minorities and women; all but three have approved plans. These three are awaiting availability data from the EEO Analysis and Reporting System Proposal.

Affirmative action guidelines for the handicapped have been issued to implement Section 504 of the Rehabilitation Act and to include the handicapped in the state affirmative action program. Departments are currently in the process of developing affirmative action addendums for the handicapped.

An EEO Analysis and Reporting System Proposal has been developed for central computer preparation of all EEO analyses and reports.

The Department of Administration initiated an Affirmative Action Program for its own employees including the appointment of a full-time EEO/Personnel Officer. All vacancies are recruited through the EEO/Personnel Officer to assure nondiscrimination in recruiting. The Department also implemented an employee grievance and complaint procedure.

ACCOUNTING PROGRAM Disbursements \$619,914

PROGRAM DESCRIPTION: The Accounting Program operates the computer-driven Statewide Budgeting and Accounting System (SBAS), which is utilized by all state agencies. In addition to monitoring the system, technical and financial assistance is provided to user agencies. Pre-audits of input documents are performed, output reports are produced monthly, and a comprehensive annual financial report is published.

PROGRAM BENEFITS: Every operation that engages in financial activity must have an accounting system to inform management on a timely basis and to make payments to vendors. SBAS is that system for the State of Montana. When used properly, it reports timely financial information, both monthly and yearly, to user agencies, control agencies, and the legislature. SBAS also, as a general rule, will produce warrants to pay vendors within 24 hours after receipt of a Transfer-Warrant Claim from the paying agencies. Therefore, the main benefits the general public receive from the operations of the Accounting Program are timely and accurate financial reports for the state and timely vendor payments.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Accounting Program can best be improved by enhancing its "public relations" in three important areas: 1) the annual published financial report must be released more timely (within 60 - 90 days after the close of the books); 2) progressive steps must be taken to educate all persons coming into contact with SBAS (especially those not having daily contact with SBAS) of its capabilities and merits so that its image can be improved and proper enhancements may be made; 3) accountants and clerks must be informed of the workings of the SBAS "Upgrade" so that they may extract the most from the improved system.

ARCHITECTURE AND ENGINEERING PROGRAM Disbursements \$17,880,045

PROGRAM DESCRIPTION: The Architecture and Engineering Program provides functional, as well as aesthetically planned, buildings and grounds to satisfy the present and future needs of state government at an affordable cost.

PROGRAM BENEFITS: Through efficient management of the Program the general public reaps the obvious benefits of an economically sound construction program based upon proven needs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Construction projects could be expedited, thus saving valuable time and money, if the Board of Examiners would delegate to the director of the Department of Administration the authority to solicit bids, conduct bid openings, approve awards of construction contracts, and approve Change Orders.
2. The last legislature approved a bill which raised the limits on project construction documents that can be prepared by the Department of Administration from \$10,000 to \$25,000. In conjunction with this, a recommendation is made that the limits on construction projects which now must be advertised, bid, and awarded under the supervision, and with the approval, of the Board of Examiners, be correspondingly raised from \$10,000 to \$25,000. This will expedite the overall process, saving time and money.
3. At the present time, state statutes do not allow the use of Certificates of Deposits as an acceptable Labor and Material Bond for state construction projects. Approval of C-Ds for this purpose would appreciably increase contractors' options to meet this requirement while not jeopardizing the security essential to the State of Montana.
4. In section 82-3314, R.C.M. 1947, "construction" is defined to include construction, repair, alteration, and equipping and furnishing during construction, repair, or alteration. If the reference to repair, equipping, and furnishing was deleted from this section, the definition would become more consistent with the usual operational procedures of this office. In other words, projects which are largely repair, equipping, or furnishing could then be bid through the Purchasing Division, or accomplished by physical plant personnel, in full compliance with existing state law.

BUILDING CODES PROGRAM. Disbursements \$436,901

PROGRAM DESCRIPTION: The Building Codes Division protects the general public from unsafe conditions relating to the construction of buildings.

PROGRAM BENEFITS: The following activities for the year indicate the assurance of code compliance to protect the life-safety of Montana's citizens:

Building Standards Bureau

Factory-Built Buildings

Plan Reviews	82
Insignias	771
Inspections	100

Recreational Vehicles

Plan Reviews	363
Insignias	3,981
Inspections	180

Public Buildings

Plan Reviews	169
Inspections	20

School Buildings

Plan Reviews	53
Inspections	7

Mechanical Safety Bureau

Plumbing

Permits	2,342
Inspections	4,273

Elevators

Inspections	436
Plan Reviews	15

Electrical Safety Bureau

Electrical

Permits	13,583
Inspections	25,128

In addition to the above activities, the Program has had numerous consultations with state agencies, local governments, designers, contractors, owners and other members of the general public relating to construction problems and code interpretations and much progress was made during the year to reduce the number of conflicting code requirements at the state level.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Program could be greatly improved by providing adequate field inspection staff to perform needed inspections. Presently, building inspections for compliance to the Uniform Building Code are next to nonexistent.

DEPARTMENT OF ADMINISTRATION

In addition, plumbing and electrical installations require a rough-in and final inspection, which, with present staffing, are not always made.

2. Computerization of the overall operation of the Division would allow for more efficient use of staff and records.

CENTRAL ADMINISTRATION PROGRAM Disbursements \$184,737

PROGRAM DESCRIPTION: The Central Administration Program is responsible for overall supervision and coordination of the programs and divisions of the Department of Administration, including the various "attached to" agencies. Duties include accounting and budgeting for the Department's operations, office space allocations and property leases in the Helena area, management and control of the emergency and disaster funds and administration of the Statewide Deferred Compensation Plan. In addition, this Program has assumed the responsibilities of the Board of Examiners.

PROGRAM BENEFITS: By centralizing the many services performed by the Department, duplication is eliminated and savings realized.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Upgrading of the central services unit should be continued by centralizing more functions.
2. The bidding and awarding of construction projects should be expedited to eliminate unnecessary time delays and increases in construction costs.

COMMUNICATIONS PROGRAM. Disbursements \$2,178,154

PROGRAM DESCRIPTION: The Communications Program provides all the required communications systems and services to agencies of state government at the most effective, efficient and economical levels possible.

PROGRAM BENEFITS:

1. Continued to provide a quality level of service on the State Telephone System and further refined the Telephone Accounting System.
2. Continued to provide timely and cost-effective repair, maintenance, engineering and system design services for state communications equipment and systems.
3. Began design of an automated telephone local service and equipment billing and inventory control system to provide agencies additional data to better manage communications costs. The system is scheduled for implementation in Fiscal Year 1979.
4. Improved the overall percent efficiency (chargeable time/nonchargeable or administrative time) of radio technicians to 67%, exceeding the goal of 65%.

5. Secured funding and completed installation of National Weather Service continuous broadcast FM radio stations in Helena and Great Falls. Seven other sites are scheduled for installation during Fiscal Year 1979 which will provide continuous weather and emergency information to the public throughout the state.

6. Secured funding and began installation of the National Emergency Aid Radio (NEAR) program in Montana which will provide around-the-clock monitoring and aid to the motoring public using Citizens Band (CB) radio channel nine. The project is scheduled for completion in Fiscal Year 1979.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The current restriction placed upon the Telephone Accounting System regarding the complete collection of call information data and the inclusion of this data in the monthly usage reports to agencies should be removed for better management and control of telephone communications costs.

COMPUTER SERVICES PROGRAM Disbursements \$2,250,530

PROGRAM DESCRIPTION: The Computer Services Division maintains and supervises the operation of the central data processing facility for the use of state agencies. The operation of the central data center must be done in a manner designed to minimize costs and maximize the benefits to the user agencies.

PROGRAM BENEFITS: The most significant benefit to the public is that the computer speeds up the processes of state government, thereby minimizing the time that an individual must wait for various registrations, payments, permits, and requested information. An indirect benefit is also provided to the public in the form of a lower cost of doing state government business due to the efficiencies of automation.

PROGRAM RECOMMENDATIONS:

1. Increase emphasis on satisfying the needs of remote users communicating with the central computer via the state teleprocessing network. Improved response and turnaround times mean better service to the public.
2. Implement procedures that will help data center personnel and users alike deal more effectively with an increasingly complex, rapidly changing working environment.

EMERGENCY AND DISASTER PROGRAM Disbursements \$504,374

PROGRAM DESCRIPTION: The Emergency and Disaster Program is established to provide emergency financial assistance as required. Funds are disbursed after the Governor declares a state of emergency. Section 79-2501 thru 2503, R.C.M. 1947, authorizes the Governor, during a declared emergency, to expend from the General Fund up to \$750,000 in any one biennium.

PROGRAM BENEFITS: A total of \$504,374 was transferred from the Emergency and Disaster Fund to aid the following cities and counties:

<u>CITY/COUNTY</u>	<u>DISASTER</u>	<u>AMOUNT</u>
Carter County	Winter Storm	\$ 63,300
Valley County	Winter Storm	17,880
Dawson County	Winter Storm	25,220
Garfield County	Winter Storm	114,937
Wibaux County	Winter Storm	52,391
Blaine County	Winter Storm	88,822
Phillips County	Winter Storm	106,044
City of Havre	Winter Storm	15,596
McCone County	Winter Storm	12,000
City of Wolf Point	Winter Storm	8,184

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue Program at present level.

GENERAL SERVICES PROGRAM Disbursements \$2,482,534

PROGRAM DESCRIPTION: The General Services Program is responsible for buildings and grounds maintenance; repair and security in the Capitol Complex; coordination of energy conservation for state facilities; duplicating, copying, mail and messenger service; and federal and state surplus property distribution statewide.

PROGRAM BENEFITS: The Program provides clean, comfortable and pleasant surroundings for elected officials, state employees and guests; economical, efficient centralized duplicating, copying, and mail and messenger service for state agencies; and statewide distribution of surplus property to all eligible organizations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional mail and messenger services in the Capitol Complex should be centralized more fully to avoid duplication and thereby provide faster and more efficient service at less cost.

BOARD OF HOUSING Disbursements \$112,203

PROGRAM DESCRIPTION: The Board of Housing exists to comply with the requirements of the Housing Act of 1975 in which the Board of Housing was created to assist private enterprise and governmental agencies in providing financial assistance to help meet Montana's housing needs.

PROGRAM BENEFITS: The Board of Housing purchased or committed to purchase \$67,873,000 worth of below market rate mortgage loans for persons and families of lower income in Montana. This was comprised of \$63,450,000 in single family home financing and \$4,423,000 in multifamily housing financing. The general public benefited by having financing available in over fifty lending institutions throughout the state that otherwise may have not been available due to current market interest rates, down payments, and many other factors.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Increase the Board of Housing's bonding authority. This will allow the Board to continue their endeavors to help meet Montana's housing needs in the future.
2. Allow the Board more flexibility so that the operation of the Board's programs will not impair the obligations of any agreement between the Board and the holders of notes and bonds issued by the Board.

INFORMATION SYSTEMS PROGRAM Disbursements \$805,297

PROGRAM DESCRIPTION: The Information Systems Program is responsible for the development, implementation and maintenance of cost effective automated information systems that satisfy state agency requirements.

PROGRAM BENEFITS: This Program has provided the necessary resources to develop and implement several new automated information systems. Included in this effort was the upgraded Statewide Budgeting and Accounting System (SBAS).

This Program also continues to provide the necessary resources to maintain current operational automated information systems. This includes systems which were purchased from private firms by state agencies. This effort is estimated to consume approximately 40-50% of the total resources of this Program.

This Program also provides the resources to design and develop automated information systems utilizing nationally recognized techniques and procedures. This assures that the systems are cost effective, well documented, and meet the objectives and requirements established by the state agency.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The exposure draft of the Systems Development Guide should continue to be used, modified and improved. This will help insure that the automated information systems developed are of the highest quality with the greatest cost benefit.

INSURANCE AND LEGAL PROGRAM Disbursements \$2,075,490

PROGRAM DESCRIPTION: The Insurance and Legal Program exists to implement the provisions of the Tort Claims Act -- Chapter 43, Title 82, Revised Codes of Montana -- by providing a comprehensive and adequate plan of insurance and self-insurance for all state agencies for property, liability, bonds and special requirements of individual agencies. This Program provides the legal counsel for the Department and represents all agencies of the state in the investigation, settlement or defense of all tort claims.

PROGRAM BENEFITS: Specific benefits to the general public result from insurance protection on all state property. This allows the public with legitimate claims against the state or its employees an opportunity to present claims for just compensation without having to wait upon the next session of the legislature to consider the claims.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provisions should be made to prohibit the use of reserves for any purpose other than payment of premiums, payment of claims on self-insured losses or deductibles, or for increasing the use of deductibles and broadening the self-insurance program.

BOARD OF INVESTMENTS PROGRAM Disbursements \$304,362

PROGRAM DESCRIPTION: The Board of Investments has the sole authority to invest state funds in accordance with Montana law.

PROGRAM BENEFITS:

1. Investment income from surplus treasury cash investments amounted to \$10,828,000. Since the inception of the Board of Investments in August, 1971, surplus treasury cash income distributed to the General Fund has amounted to \$56,693,000.
2. Actively pursued the purchase of Montana real estate mortgages through the continued program of conducting board meetings in non-Helena sites with local financial institutions. Purchased \$13,694,000 in Montana real estate mortgages on top of \$16,037,000 for Fiscal Year 1977. Total Montana mortgages owned are \$58,130,000 compared to \$51,800,000 in Fiscal Year 1977, a 12.2% increase.
3. Continued to provide the services of the Short-Term Investment Pool (STIP) to state funds, cities, counties, hospital and school districts. A total of 51 local governmental entities participate in STIP.
4. Increased total assets at cost under management to \$769.3 million, up from \$708.0 million in Fiscal Year 1977, a 12.5% increase. Total investment income increased to \$54.1 million, up from \$45.9 million in Fiscal Year 1977, a 17.8% increase.
5. Continued the program of offering two, three, four and five year time certificates of deposit to Montana banks and savings and loan associations. The Montana certificate of deposit invested balance is \$71.3 million, compared to \$62.3 million for Fiscal Year 1977. This represents a 14.4% increase.
6. The common stock portfolio, which was started in 1973, has continued to outperform the Dow Industrial Average and has consistently placed in the top quartile of performance as measured by several nationally recognized performance indicators.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: In-house research capabilities should be improved.

MANAGEMENT SYSTEMS PROGRAM Disbursements \$200,986

PROGRAM DESCRIPTION: The Management Systems Program provides for the development and maintenance of: efficient, effective and economical fiscal management and administrative control systems for state government; general statewide operating policies and procedures; and management consulting services for state agencies.

PROGRAM BENEFITS:

1. Assisted with the development and implementation of SBAS II, a major upgrade to the Statewide Budgeting and Accounting System. The project will provide improved financial management capabilities to all agencies of state government and at the same time reduce the overall effort required to record financial transactions.
2. Chaired the Data Base Management System (DBMS) Evaluation and Selection Committee which was charged with reviewing and recommending the "best" data base management system available in the software marketplace for Montana's state government data processing user community.
3. Assisted in the development of the proposed payroll/personnel system specifications.
4. Began the data processing "phased approach" for programming and implementing of the Property Accountability Management System. This system, when fully implemented, will provide the capability to record and monitor all fixed assets owned by the state.
5. Assisted various state agencies with a variety of fiscal management problems at a fraction of the cost to the state as compared to these agencies having to hire professional consultants.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Reprioritize the Program's objectives to provide more training and education to state agencies in the use of the Statewide Budgeting and Accounting System. This will result in improved fiscal management of state government in general.
2. Continually improve the Statewide Budgeting and Accounting System to keep up with the changing times and needs of the users.
3. Assist agencies in implementing Legislative Audit recommendations that will improve state government.
4. Devote more resources toward the completion and maintenance of the Montana Operation Manuals to provide state agencies with ready access to the policies, procedures and other guidelines applicable to their various intragovernmental activities.

PASSENGER TRAMWAY SAFETY PROGRAM Disbursements \$ 6,996

PROGRAM DESCRIPTION: The Passenger Tramway Safety Program regulates the design, construction, operations, and maintenance of all passenger tramways within the boundaries of Montana in order to establish practical factors of safety and adequate safety features.

PROGRAM BENEFITS: The Program safeguards the life, health, property, and welfare of all persons using passenger tramways within the state of Montana by promulgating maximum ski area compliance with national standard safety requirements and regulations in its certification procedures.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Implementation of a continuing education program including seminars of code interpretations, equipment, and operational problems for the inspectors as well as technical assistance to the operators could help reduce accidents in addition to increasing overall operational safety.

PERSONNEL PROGRAM Disbursements \$1,139,126

PROGRAM DESCRIPTION: The Personnel Program is responsible for administering the statewide classification and pay plans; labor relations and negotiations; personnel training; equal employment opportunity coordination; personnel policy development; and recruiting, examining and certifying applicants for Merit System agencies.

PROGRAM BENEFITS:

1. The Classification Bureau reviewed over 2,700 agency requests for reclassification; published 150 new class specifications; investigated 280 individual appeals and 15 group appeals; and participated in 29 appeal actions before the Board of Personnel Appeals. The Bureau also conducted a major wage/salary survey to prepare pay recommendations for the 1979 Legislature and assumed responsibility for coordinating employee health insurance.
2. The Labor Relations Bureau has assisted state agencies in administering nearly 60 labor contracts with over 19 different unions. Bureau staff represented the state in six grievance arbitration proceedings and filed or defended against the filing of five unfair labor practices complaints of which all but one were resolved prior to any Board of Personnel Appeals decision. During the year, ten union unit determination proceedings were handled.
3. The Employee Relations Bureau conducted 49 training workshops involving 1,400 state employees, 43 federal employees and 102 employees from the city, county and private sector. The Bureau also published eight new and two revised personnel policies and provided personnel policy guidance and interpretation for state and local government agencies.
4. The Employee Relations Bureau, in conjunction with the Governor's Office, developed and initiated a Management Intern Program (MIP) with the purpose to identify and train potential managers to assume mid-management positions in state government. Seventeen persons are participating in MIP, representing eleven state departments and the League of Cities and Towns.
5. In Fiscal Year 1978, the Merit System Bureau, which covers 2,294 positions, was merged with the Personnel Division to better coordinate and improve personnel management in state government. A total of 17,562 applications were processed, 9,044 names were placed on the registers, and new hires and promotions totalled 784.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Authority relative to determining position classification should be clarified.

2. The personnel evaluations system now being developed should be "piloted" in certain state agencies during Fiscal Year 1979.
3. Merit System tests should be electronically scored and the analyses of tests and registers of eligible persons should be computerized.
4. Supervisory and managerial training should be mandatory at least at the Bureau Chief level throughout the Executive Branch.
5. The EEO Analysis and Reporting System proposal should be adopted and implemented in Fiscal Year 1979.
6. The classification specification review function and the Merit System test development function should cooperate closely to ensure valid selection devices.
7. The Management Intern Program should be continued with modifications.

PUBLIC EMPLOYEES' RETIREMENT PROGRAM Disbursements \$20,886,001

PROGRAM DESCRIPTION: The Public Employees' Retirement Program provides a measure of financial security to members and their beneficiaries, who, due to age, infirmity or death cannot continue their employment. The Program administers the retirement systems for public employees, judges, highway patrolmen, game wardens, sheriffs, policemen and volunteer firemen. In addition, it administers the Federal Social Security Act for 750 state and local governments, school districts and other special districts.

PROGRAM BENEFITS:

1. Economy and efficiency in public service is effected by providing a means whereby employees who become superannuated or otherwise incapacitated may retire without hardship or prejudice and be replaced by capable new employees.
2. During the Fiscal Year 1978 benefits of \$22,333,729 were paid out and Social Security taxes collected for and transferred to the federal government totalled \$54,672,458.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Public Employees' Retirement Division should continue to analyze and implement improvements to its operating systems in order to better serve its members and improve the internal controls over the various retirement systems.
2. All retirement legislation should be channelled through a single legislative committee to avoid duplication and fractionalization of legislation that affects benefits and funding considerations.
3. Members of the various retirement systems should be provided better information on a current, continuing basis as to their rights and benefits.

PURCHASING PROGRAM Disbursements \$261,524

PROGRAM DESCRIPTION: The Purchasing Program administers the central purchasing activities for all state agencies.

PROGRAM BENEFITS:

1. Supplies, materials and services used by state agencies are acquired at the lowest possible cost through volume buying and competitive bidding. During Fiscal Year 1978 purchase orders were issued to successful bidders totalling over \$46 million.
2. A person was added to the staff to implement procurement procedures that are more responsive to energy conservation.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Department has contracted with the Council of State Governments to review the state's purchasing procedures. This report is due in the fall of 1978. A concerted effort should be made to implement those recommendations that are feasible in order to make the Purchasing Program more efficient and responsive to user needs.

RECORDS MANAGEMENT PROGRAM Disbursements \$191,893

PROGRAM DESCRIPTION: The Records Management Program develops and implements guidelines for efficient records creation, use, and disposition in Executive Branch agencies of the State of Montana.

PROGRAM BENEFITS:

1. Over 3,525,200 pages of information were converted to microfilm. This is equivalent to 235 four-drawer filing cabinets which were either made available for new material or not purchased (cost avoidance), saving the taxpayers \$35,250 for each year of the retention period of the records.
2. An average of 7,454 cubic feet of noncurrent state records were stored per month in low cost storage. This is equivalent to 931 four-drawer filing cabinets, representing an annual savings of \$139,650 in new equipment alone.
3. A comprehensive records management manual listing general records retention schedules and guidelines for filing and microfilming these records was published and disseminated to state agencies. This manual should save the state thousands of dollars by avoiding the retention of unnecessary records and the acquisition of inferior or unneeded files and microfilm.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. More accurate cost and production information needs to be developed. This will enable program management to establish an improved pricing structure, to monitor trends for budgeting, and to better control production. It will also facilitate more accurate job estimating for budgeting by user agencies.

2. A detailed feasibility study in Computer Output Microfilm (COM) should be conducted. COM could potentially save the state thousands of dollars in the long run and at a minimum the study would provide benchmark information for future planning.

3. A comprehensive inventory of agency records should be made. This massive project is necessary to determine the volume of records stored in the agencies, the growth pattern of records accumulation, and the costs associated with records storage. This information can then be used in formulation of retention guidelines and cost-benefit analysis of microfilm programs.

4. More work must be done with state agencies in developing agency retention schedules and agency records programs, including appointment of an internal records coordinator for each agency. These efforts will permit destruction of large volumes of unnecessary records, saving the state thousands of dollars in storage and equipment costs.

5. Training seminars should be held for agency "records coordinators" and others. These seminars should emphasize records management alternatives (destroy, store, or microfilm) and the associated costs and benefits of each. These seminars should result in immediate cost savings to the state by promulgating more efficient and cost effective records management procedures.

STATE TAX APPEAL BOARD PROGRAM Disbursements \$172,958

PROGRAM DESCRIPTION: The State Tax Appeal Board has two functions: the handling of appeals to the Board and the general supervision of County Tax Appeal Boards.

PROGRAM BENEFITS: The citizens who appealed were given a fair hearing and, in many instances, the value of their property was adjusted to conform with the dictates of the law. In other instances, the taxpayers gained insight into the appraisal process.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: We would like to give more training to members of County Tax Appeal Boards. We presently travel to five districts in the state for district meetings, but believe it would be desirable to have statewide meetings for county board members and give them the advantage of hearing qualified appraisers, tax attorneys, and judges who handle tax cases, etc. This would pay off in better decisions, better records of county appeal hearings, and a more efficient system generally.

TEACHERS' RETIREMENT PROGRAM Disbursements \$16,489,053

PROGRAM DESCRIPTION: The Teachers' Retirement Program provides retirement, disability and survivor benefits for the state's teachers in accordance with state statutes and rules, regulations and policies promulgated by the Teachers' Retirement Board. Over 16,000 active and 4,173 retired members are currently being served.

PROGRAM BENEFITS: The state's educational system is strengthened because teachers' financial worries are alleviated by knowing their retirement years are properly provided for.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Continue microfilming systems records.
2. Utilize the services of the Systems Design Bureau to update the system through more efficient data processing procedures.

TRANSPORTATION OF PRISONERS PROGRAM Disbursements \$84,998

PROGRAM DESCRIPTION: The Transportation of Prisoners Program is charged with the approval and processing of travel claims submitted by the County Sheriffs.

PROGRAM BENEFITS: The Program relieves the counties of the financial burden from extraditing prisoners and transporting them to the State Prison at Deer Lodge.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The state should reimburse the county sheriffs only for Governor authorized extraditions, making the trips to Deer Lodge a county expense. This is consistent with the regulations for transporting prisoners to Galen, Warm Springs, Swan River, etc., which are presently paid by the counties.

TREASURY PROGRAM Disbursements \$7,000,769

PROGRAM DESCRIPTION: The Treasury Program acts as the treasurer of each and every state agency or bureau. The Program receives and properly records all monies received and receives and reconciles all bank statements, receives and properly records contractors' pledges for contracts, and maintains complete records and accounting for all outstanding bond issues and the redemption thereon, including payments of interest.

PROGRAM BENEFITS: The Treasury Program functions for the state as a commercial bank does for private business by receiving and safeguarding money, and paying it upon demand. The Treasury Program also functions as a trust institution in acting as custodian for the safekeeping of all securities both invested and deposited, and in servicing the same.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Secure a magnetic tape to expedite the cashing of state warrants.
2. Improve existing controls over cash accountability.
3. Implement a program whereby long term debt is identified in the Statewide Budgeting and Accounting System. Interest on the bonded indebtedness would be established as an account payable when it becomes due. The payable would be reduced as coupons are redeemed by the Treasurer.

DEPARTMENT OF ADMINISTRATION

VIETNAM VETERANS HONORARIUM PROGRAM Disbursements \$15,853

PROGRAM DESCRIPTION: The 1977 Legislature extended the filing date deadline for Vietnam era veterans to obtain a Montana Veterans Bonus for service in the Vietnam area to July 1, 1977, and provided funds for the payment of the remaining bonuses for Fiscal Year 1978.

PROGRAM BENEFITS: Bonus payments totaling \$15,853 were made to 100 claimants during Fiscal Year 1978. To date the Program has provided bonus payments to 11,940 claimants for a total expenditure of \$2,773,716.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Legislative appropriations provided for payment of Vietnam veterans bonuses reverted on June 30, 1978. The Board of Examiners staff will complete any unfinished administrative duties for the Program and the Program will be discontinued.

SURPLUS PROPERTY PROGRAM Disbursements \$166,293

PROGRAM DESCRIPTION: The Surplus Property Program is responsible for providing a cost effective, centralized statewide distribution of federal and state surplus property to eligible public and nonprofit participants.

WORKERS' COMPENSATION JUDGE PROGRAM Disbursements \$154,744

PROGRAM DESCRIPTION: The Workers' Compensation Judge Program is responsible for safeguarding the interests of parties to workers' compensation cases. This Program was created by the Forty-Fourth Legislature and replaces the adjudicative function previously in the Workers' Compensation Division of the Department of Labor.

SBAS UPGRADE PROGRAM Disbursements \$356,966

PROGRAM DESCRIPTION: The Statewide Budgeting and Accounting System (SBAS) Program was established to account for expenditures associated with the upgrade of the Statewide Budgeting and Accounting System authorized by the 1977 Legislature. The Program terminated June 10, 1978.

AGENCY DESCRIPTION:

The Department of Agriculture was established to encourage and promote the interests of all agricultural and allied industries in Montana; collect and publish statistics relating to the production and marketing of agricultural products; assist, encourage and promote the organization of farmers; gather and diffuse marketing information; and administer regulations pertaining to production and marketing of food and fiber products.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The EEO Basic Policy Statement as reviewed and approved by the EEO Bureau was updated and signed by the department director.

The Department's Affirmative Action Plan as authorized by the EEO and Human Rights Bureau has been maintained and followed with Fiscal Year 1978 goals achieved and surpassed. Affirmative action has encompassed all aspects of the Departments operations including staffing, recruitment and training.

A Department representative represents the Department on the Interdepartmental Coordinating Committee for Women. The representative consults all area women on the Committee's actions and reports directly to the department director regarding actions and recommendations.

Nondiscrimination information posters are maintained on all appropriate division bulletin boards.

Training and position opening announcements are distributed to all divisions and units for posting on appropriate bulletin boards.

Employee selection is based solely on job related qualifications and experience without discrimination. All applications are reviewed and ranked, based on qualifications, education, and experience. References rank top applicants on identifiable qualifying factors and established nondiscriminating interview questions are used in the presence of EEO representatives to insure nondiscrimination and equal treatment.

Entrance and exit interviews are utilized to improve working conditions and identify problem areas.

CENTRALIZED SERVICES PROGRAM Disbursements \$200,912

PROGRAM DESCRIPTION: Centralized Services is responsible for administering the Rural Development and Marketing programs, promoting the interests of all agriculture and allied industries, and providing an efficient system to coordinate interdivisional authority and accountability in administration functions for effective discharge of departmental responsibilities.

PROGRAM BENEFITS:

1. The Centralized Services Division provides support to all other programs in the Department, performing administrative responsibilities including accounting, fiscal management, payroll, purchasing, property control, personnel, and EEO administration.

2. The Department was reorganized making more efficient use of existing Department resources by consolidating ten separate operating divisions into three functional divisions with underlying bureaus and a commodity service unit, all designed to provide more responsive service to the critical and rapidly changing need of the agriculture industry.

3. The department director represented agriculture on the National Animal Damage Control Committee; provided testimony at Congressional hearings on rail car shortages, meat imports, Yellowstone water preservation, and the 160 acre limitation; and represented Montana agriculture in over 70 presentations statewide.

4. Marketing actions included representation of Montana firms at foreign food shows; assisting in the sale of wheat and barley to Taiwan, 1,200 head of cattle and sheep to Japan, and shipments of other agriculture products to Japan and Korea. Foreign trade lead information was provided to 46 Montana firms with three Montana firms receiving foreign lable clearance to enter new foreign markets. The Marketing Program responded to 387 requests for information on Montana agriculture, and prepared 22 presentations regarding Montana activities and developments affecting Montana's agricultural industry.

5. The Rural Development Program allows rural Montanans of substandard incomes the opportunity to acquire financing for agricultural production and educational activities, providing the advancement and preservation of Montana agriculture. Rural development loan activities included:

Loan Programs	Loans Paid in full	New Loans Made	Total Loans
Federally Insured Student	1	7	25
Junior Livestock	17	9	43
Junior Agribusiness	0	1	3
Participation Real Estate	0	2	16
Subordination Operating	2	9	9
Federally Insured Real Estate	4	0	15
O.R.E. Real Estate	<u>0</u>	<u>0</u>	<u>6</u>
Totals	<u>24</u>	<u>28</u>	<u>117</u>

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Establish legal counsel within the Department to facilitate proper administration of statutes assigned to the Department while protecting the citizens and the State of Montana through legal support, research, and interpretation.

2. Accommodate a Legislative Auditor's recommendation by automating departmental licensing and registration through application of data processing.

3. Expand funding for information dissemination and travel for more effective representation of Montana firms.

HAIL INSURANCE PROGRAM Disbursements \$361,331

PROGRAM DESCRIPTION: The Hail Insurance Unit, totally funded by participating farmers and ranchers, is responsible for administration of Montana's hail insurance laws and offering Montana grain growers insurance protection against crop loss due to hail.

PROGRAM BENEFITS:

1. The \$12 limit per acre on nonirrigated land was increased to \$18 and the \$24 limit per acre on irrigated crops was increased to \$36, as the reserve fund met the actuarial requirements.
2. Hail insurance policies issued 2,610
 Hail loss claims filed and adjusted 600
 Counties which actively participated in program 38
 Premium volume \$ 1,534,538
 Total dollar risk exposure \$10,792,680

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The present \$18 limit per acre on nonirrigated crops and \$36 per acre on irrigated crops should be increased to \$24 and \$48, respectively, when the reserve fund meets the actuarial requirements necessary to increase insurable coverage levels.

CROP AND LIVESTOCK REPORTING PROGRAM Disbursements \$45,494

PROGRAM DESCRIPTION: The Crop and Livestock Reporting Unit serves the agricultural needs of Montana, allied interests, and the general public in collecting and publishing statistics by county on a statewide basis relating to the production and marketing of crops, livestock, and other agricultural products.

PROGRAM BENEFITS: Comprehensive, regular and special statistics of production, marketing, and transportation of agricultural products are utilized to reduce farm to retail price spreads, minimizing consumer prices. Agricultural statistics provide a necessary component to knowledge and analysis of the state's economy for long and short term planning. In Fiscal Year 1978, 132,971 statistical reports were published under the cooperative agreement between the Crop and Livestock Reporting Unit and the U.S. Department of Agriculture.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The publication "Montana Agricultural Statistics" should be published on an annual basis to improve timeliness of county agricultural statistics to data users.

TRANSPORTATION PROGRAM Disbursements \$78,063

PROGRAM DESCRIPTION: The Transportation Unit works to ensure Montana's transportation users the availability of adequate and efficient transportation services at just and reasonable rates and charges. The Program provides transportation expertise to evaluate and solve present and

future problems, and to represent agricultural shippers at administrative proceedings before state and federal transportation regulatory agencies. The Transportation Unit maintains a data base as well as reference and resource materials reflecting Montana transportation statistics.

PROGRAM BENEFITS:

1. Represented Montana in fourteen formal matters before the Interstate Commerce Commission and four formal cases before the Montana Public Service Commission resulting in a benefit to cost ratio of 72/1 for Fiscal Year 1978.
2. Established necessary requirements to qualify Montana for the State Rail Planning Program of the U.S. Department of Transportation. Eligibility for \$241,863 in federal funding to analyze local community impacts by loss of existing rail service was obtained to provide a planning process by which present and future local railroad service problems may be solved.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Establish a citizens advisory board to the State Rail Planning function to assist in the design and development of Program actions to accommodate Montana's transportation demands.
2. Initiate rail planning to provide Montana with a detailed analysis of its rail system and proposed abandonment impact on agricultural transportation.
3. Expand the Program to enable transportation analysis and participation in all agricultural commodities.

WHEAT RESEARCH AND MARKETING PROGRAM Disbursements \$414,210

PROGRAM DESCRIPTION: The Wheat Research and Marketing Unit, totally funded by participating grain producers, is responsible for encouraging and promoting the development of markets for Montana wheat and barley and encouraging and promoting intensive scientific and practical research into all phases of wheat and barley culture, production and use.

PROGRAM BENEFITS:

1. The Wheat Research and Marketing Unit has participated in transportation actions to reduce grain producers' transportation costs.
2. The Unit has provided for research into new production and uses for barley and wheat, such as starches and syrups, and projecting the feasibility of utilizing Montana grain for such use.
3. Overseas markets have been negotiated with a special procurement team from the Republic of China coming to Montana for the express purpose of buying Montana wheat and barley. Trade teams have been continually encouraged to purchase Montana products.
4. The market news service was continued to service Montana grain producers, providing up-to-date market and price information on wheat and barley.

ENVIRONMENTAL MANAGEMENT PROGRAM Disbursements \$428,313

PROGRAM DESCRIPTION: The Environmental Management Division is responsible for administering the Montana Pesticides Act, the Insect Surveillance and Detection Act, the Noxious Plant Management Assistance Act, and the Department's Chemical Analytical Laboratory, and providing technical and consultant services to agriculture and the environmental and pest management program areas.

PROGRAM BENEFITS:

1. Division personnel assisted in providing pesticide training to 5,000 farmers and ranchers allowing them to purchase and apply restricted use pesticides. Division personnel provided weed management and aquatic weed management training for 120 individuals. Additional training was provided to pesticide dealers (360), elevator operators and seed treaters (162), and commercial pesticide applicators (97). Also, assistance was provided to several industrysponsored programs.
2. The Division received, investigated, and resolved 23 pesticide complaints and pesticide damage cases which included insuring individuals receiving damage to crops or ornamentals were reimbursed for damages, preventing the marketing of contaminated foods, and determining if soils contaminated could be utilized for crop production the following year.
3. Insect surveillance of the state's major agricultural crops resulted in the prevention of the loss of portions of crops to insect damage. Technical assistance provided to producers resulted in identification of pest problems and appropriate treatment.
4. The preparation and publication of three manuals (insecticide, herbicide and fungicide) provided applicators and dealers a concise listing of all registered pesticides in Montana as well as application rates, pests controlled, and special restrictions on each pesticide product.
5. The Division began several pesticide efficacy and residue studies in cooperation with the cherry, seed potato, and grain industries. Preliminary results indicate that under some conditions pesticide usage may be decreased without a consequent loss in production due to pest damage.
6. Consumer protection is accomplished through dealer and applicator inspections and pesticide sampling and analysis programs. 1,290 official inspections were conducted along with visits to resolve individual problems. The issuance of 43 major violations for pesticide misuse prevented environmental contamination and protected public health.
7. The Division issued 17 special local need pesticide registrations to use when a special local need exists and there is not a federally registered chemical available to control pest problems.
8. 1,091 feed and fertilizer samples were received and 5,492 analyses were conducted. The laboratory performed 223 chemical analyses for pesticides.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Assign additional biological aides to the pest management program to reduce the amount of land area current aides are responsible for. This should result in more comprehensive pest surveys, increased direct assistance to producers on pesticide/pest problems, and improved department capabilities to assess and react to pest problems prior to the occurrence of major or significant pest problems.
2. Expand the cooperative relationship with the Environmental Protection Agency in enforcement and certification activities. Improvements needed for the enforcement program include the employment of an attorney and additional pesticide specialists to conduct private applicator misuse investigations. This will result in improved handling of pesticide violations for administrative and judicial hearings and cases; improved investigation and resolution of pesticide misuse cases; and increased monitoring of commercial and government pesticide operations, providing increased technical assistance to private applicators on the proper and safe use of pesticides.
3. Increase laboratory capabilities for the analysis of pesticides (formulation and residue) and determining the efficacy of pesticides. Increase the number of analyses for drugs, antibiotics, vitamins, and toxic substances in feeds, and the number of analyses for possible toxic substances such as heavy metals in pesticides and fertilizers. This will help to insure safe and wholesome food production in Montana.
4. Implement internal management procedures to improve capabilities in the areas of pesticide training and environmental monitoring, and develop improved pesticide examination study manuals. This will increase users' knowledge of pesticides and pests and assist them with solving special agricultural/environmental problems.

PLANT INDUSTRY PROGRAM Disbursements \$588,298

PROGRAM DESCRIPTION: The Plant Industry Division is responsible for administering the horticultural laws: the Grain Standards Act; the Seed Dealers, Processors and Warehouseman Act; Agricultural Seed Act; Mustard Seed Act; the Apicultural Law; and the Commerical Feed and Fertilizer Laws. The Program issues federal-state grade certificates on commodities produced and exported from the state.

PROGRAM BENEFITS:

1. The Program investigated consumer complaints; performed technical inspections/surveys; issued grade certificates for grain, dry beans, potatoes, cherries and flour shipments; and provided regulatory expertise and disseminated information to consumers and producers in program areas of apiculture, horticulture, seed, grain, feed, and fertilizer.
2. Specialized surveys for plant insects/plant diseases provided essential information for development of quarantines. Data retrieved from surveys provided information to satisfy specific requirements for export shipment of agricultural products.

3. The quality of feeds, fertilizers, grain, seed, fruits and vegetables has been maintained at a higher level due to inspection surveillance. Inspectors performed 7,245 inspections and investigated 1,943 consumer complaints.

4. 1,091 samples of feed and fertilizer were collected by inspectors for analytical purposes. 3,600 labels of animal feed, pet food, and fertilizer were reviewed and compared with analytical results to protect Montana citizens against fraudulent advertising practices and inferior products.

5. The Specialized Service Bureau registered 550 beekeepers, 4,000 apiaries, and 91,345 hives. The inspection and control programs depressed the incidence of disease below the 1% level.

6. 5,234 federal-state grade certificates were issued for 1,988 tons of sweet cherries. Also, 140 orchardists received assistance with insect and disease problems, and 1.5 million cwt. of seed potatoes were certified and inspected.

7. The Plant Industry Program cooperated with USDA-APHIS in a statewide insect detection and surveillance program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Develop and implement a computer data base program to compile Division program statistics and to process licenses and product registration applications.

2. Expand Program personnel to include a medicated feed specialist and an apiculture specialist. The livestock and beekeeping industries have placed increased technical and supervisory demands on the Program.

3. Expand inspection personnel to improve the sampling and surveillance functions.

4. Convert from the Kjeldhal method for determining protein to the approved near-infrared reflectance (NIR) devices. Implementation of the NIR will reduce overall operating costs.

5. Expand quarantine control programs to control pest and disease infestations.

6. Seed USDA-APHIS support funds for the development of specific disease control and prevention programs.

AGENCY DESCRIPTION:

Montana's State Auditor, a constitutional office, has statutory duties to superintend the fiscal concerns of the state; to suggest plans for the improvement and management of public revenues; to keep an accounting system of all state funds and pay into the state treasury all funds and fees received. Also the State Auditor, as ex officio Commissioner of Insurance, is empowered with duties to license and regulate insurance companies and agents in Montana. The State Auditor is ex officio Investment Commissioner. As Investment Commissioner, the Auditor regulates and registers issuers, broker-dealers, and investment advisers, and licenses salesmen to sell securities.

The State Auditor is director of the Central Payroll Division, which is responsible for paying all state employees.

FISCAL MANAGEMENT AND CONTROL PROGRAM Disbursements \$269,229

PROGRAM DESCRIPTION: The Fiscal Management and Control Program is responsible for (1) direct mailing of State of Montana warrants, replacement of lost or damaged warrants, and final storage of cashed warrants; and (2) depositing and receipting all fees collected by the insurance and investment divisions.

PROGRAM BENEFITS: "Same day" mailing of warrants as they are issued gets the money recirculated in the state's economy. Prompt depositing of fees collected allows the investment board to gain interest on the money as soon as possible.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The Fiscal Management and Control Division will continue to update all phases of responsibility by improving computer programs and recommending legislation to improve service.

CENTRAL PAYROLL PROGRAM Disbursements \$186,529

PROGRAM DESCRIPTION: The Central Payroll Program operates and maintains a central payroll system for state employees.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: An integrated payroll/personnel/position control system to synchronize the expenditure of personal services with budgetary control and personnel functions is needed. This will provide state government with effective and accurate management data.

ADMINISTRATIVE PROGRAM Disbursements \$123,183

PROGRAM DESCRIPTION: The Administrative Program correlates administrative functions of the State Auditor's office.

INSURANCE PROGRAM Disbursements \$400,107

PROGRAM DESCRIPTION: The Insurance Program exists for the regulation of the insurance industry in order to protect the insurance buying public, to wit:

1. To provide the insurance buying public with financially solvent companies and to assure them of the solidity of insurers, including examination of the affairs, transactions, accounts, records and assets of each authorized insurer as often as is deemed necessary;
2. To maintain fairness in insurance transactions, and to examine accounts, records, documents and transactions of agents, managers, etc., pertaining to or affecting insurance affairs or proposed insurance affairs;
3. To collect all insurance and license fees as provided for by the insurance laws of this state;
4. To require that any insurer transacting business in Montana be authorized by a subsisting certificate of authority;
5. To require that any agent or solicitor must qualify by written examination for license in compliance with the code and be licensed;
6. To regulate trade practices in the business of insurance by defining, or providing for determination of, all such practices in this state which constitute unfair methods of competition or unfair or deceptive acts or practices and by prohibiting the trade practices so defined or determined;
7. To promote the public welfare by regulating insurance rates as provided in the code, to the end that they shall not be excessive, inadequate or unfairly discriminatory, and to authorize the existence and operation of qualified rating organizations and advisory organizations;
8. To provide that no basic insurance policy or annuity contract form, or application form where written application is required by law and is to be made a part of the policy of contract, or printed rider or endorsement form or form of renewal certificate shall be delivered, or issued for delivery in this state, unless the form has been filed with and approved by the Insurance Department; and
9. To allocate amounts of funds to be distributed from premium taxes collected as provided by law.

PROGRAM BENEFITS:

1. The Policyholders Service Division, handling consumer complaints, has been instrumental in the recovery of \$1,109,687 for policyholders for the fiscal year ending June 30, 1978.
2. New rules were adopted pertaining to life insurance solicitation and replacement for the protection of the insurance buying public.
3. New rules were adopted reducing credit life insurance rates from \$0.75 per \$100 of initial indebtedness per annum, to \$0.60 per \$100, resulting in savings to the public.
4. A tollfree telephone was installed for the protection and convenience of the public.

5. Twenty-nine additional insurers were authorized to provide expanded markets and competition.
6. Decreases in rates filed were secured for (a) commercial automobiles (b) hospital professional liability and (c) physicians and dentists professional liability.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Effect legislation for the purpose of amending present laws to to facilitate operations (for example, deletion of the requirement for issuance on an annual basis of agents' life insurance licenses). This would save on the cost of issuing and mailing approximately 10,000 licenses each year, in addition to saving time for the present staff.
2. Implement rules being adopted which concern life insurance solicitation and sales, and replacement of life insurance.
3. Adopt new rules to prevent unfair discrimination due to sex, marital status, handicap, etc.
4. Expand educational programs for the staff.
5. Expand participation in national and zone task force committees, and participation in seminars and meetings.

INVESTMENT PROGRAM Disbursements \$81,246

PROGRAM DESCRIPTION: The Office of the Investment Commissioner exists for the administration of the provisions of the Securities Act of Montana -- for the protection of investors in securities against the imposition of nefarious and unsubstantial schemes and the securities based upon them.

PROGRAM BENEFITS: Specific benefits for Fiscal Year 1978 resulted in the following:

- Total aggregate of securities offered -- \$2,609,202,331.
- Reviewed 759 issuers, licensed 719.
- Reviewed and licensed 131 broker-dealers.
- Reviewed and licensed 1367 securities salesmen.
- Reviewed and licensed 12 investment advisors.
- Reviewed and concluded 90 exemption or exceptions requests.
- Received 333 Letters of Inquiry which resulted in the following:
 - 50 answered and forwarded to Secretary of State for further reply.
 - 10 cease and desist letters issued.
 - 1 injunction (TRO).
 - 10 cases referred for prosecution - 2 indicted; 2 convicted;
 - 2 cases referred to other states; remainder answered, pending, or concluded, requiring only a letter or telephone call.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Division needs one additional FTE, an attorney, to assist in departmental litigation, assist county attorneys in their litigation of securities cases, and direct and assist in the investigations and examinations of criminal, civil and administrative actions. The above is necessary to continually improve the efficiency of both services and protection of the Montana investment community.

LOCAL ASSISTANCE DISTRIBUTION PROGRAM Disbursements \$1,783,825

PROGRAM DESCRIPTION: The Local Assistance Distribution Program provides for the distribution of police and firemens' retirement funds to local governmental entities.

AGENCY DESCRIPTION:

The Department of Business Regulation was established under the Executive Reorganization Act of 1971. It is provided for in Sections 82A-401 through 496, R.C.M. 1947. The Department's function is to regulate the various business entities subject to its jurisdiction, including banks and other state chartered or licensed insitutions, the milk industry, and all weighing and measuring devices in Montana. The Department also administers consumer protection laws and the Unfair Practices Act, and establishes minimum criteria for and licenses proprietary post-secondary schools.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

It is the policy of the Department of Business Regulation to provide equal employment opportunities for all persons regardless of race, color, religion, national origin, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, ex-offender status and sex. To this end, we are implementing and will sustain a deliberate effort to equalize employment opportunities for minorities and women at all levels and in all segments of the Department's work force.

Affirmative action to eliminate discrimination on the above-named basis (except where sex, ex-offender status and/or physical or mental handicap constitute a bona fide occupational qualification) includes, but is not limited to, employment, recruitment, advertising, hiring, transfer, promotion, demotion, training, compensation, benefits, layoff, terminations and conditions of employment. All applicants for Department employment will be recruited from the available labor market and employed in accordance with each person's qualifications and abilities.

CENTRALIZED SERVICES PROGRAM Disbursements \$129,894

PROGRAM DESCRIPTION: The Centralized Services Program functions as a support to the other programs in the Department, performing day-to-day administrative responsibilities such as accounting, budgeting, payroll, purchasing, property control, personnel, and legal assistance. The Program's goal is to increase efficiency in administrative operations to provide the most effective level of support to the Department.

PROGRAM BENEFITS: The Program provided the necessary support to the other programs in the Department, performing administrative responsibilities such as accounting, budgeting, payroll, purchasing, property control, personnel and legal services, as follows:

Administrative Proceedings	27
Court Appearances	18
Legal Rules Drafted	6
Legal Opinions	11
Briefs Filed	17
Court Cases Filed	5
Court Cased Concluded	4

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increase program staff by one FTE (accountant) to provide professional management of budget preparation, six

year plans, pilot programs, variance reports, etc. Requests and demands on this Program far outweigh the anticipated output of an efficient operation with the current staffing level.

WEIGHTS AND MEASURES PROGRAM Disbursements \$237,003

PROGRAM DESCRIPTION: The Weights and Measures Program is responsible for testing and inspecting all weighing and measuring devices, and calibrating all weights and measures. Also, the Program investigates complaints about violations of weights and measures laws and regulations; regulates labeling, advertising, and quantity control of prepackaged products; licenses all state petroleum dealers; and collects license and scale test fees. The goal of the Program is to insure that equity prevails in all commercial transactions involving determination of quantity.

PROGRAM BENEFITS: The Program issued 5,892 licenses; inspected and/or tested the following: 7,984 scales, 7,283 measuring devices, 37 tank calibrations, 34 measures, 987 weights, and 12,276 packages; and handled 254 complaints.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Provide guidance and education in converting to the metric system, broaden our scope in the testing of Liquefied Petroleum Gas Vapor Meters, expand the quantity control program of prepackaged products, and continue technical training for inspectors.

FINANCIAL PROGRAM Disbursements \$399,339

PROGRAM DESCRIPTION: The Financial Program is responsible for chartering, licensing, supervising, and examining state banks, savings and loan associations, credit unions, consumer loan licensees, and sales finance companies. The major goals of the Program are to effectively act as guardian of the public's interests in Montana's financial institutions, and to prevent loss resulting from mismanagement or insolvency of state financial organizations.

PROGRAM BENEFITS: The Program performed the following in promoting and protecting the public interest:

1. Supervised organization and opening for business of new banks in Butte and Glasgow.
2. Adopted rules to implement application procedures for Electronic Fund Transfer installations by banks.
3. Participated in 5 meetings of the Banking Board, regarding new bank applications and changes of location.
4. Held 10 conferences with boards of directors of financial institutions and instituted corrective or strengthening programs in most cases.
5. Conducted examinations of 82 banks, 47 finance companies, 14 credit unions, and 3 savings and loan associations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Reduce employee turnover rate by increasing pay grade of experienced examiners.
2. Enact new legislation to give Department power to issue cease and desist orders for more effective means of eliminating hazardous, self-dealing or irregular activities by financial institutions.
3. Establish an "Early Warning System" to detect adverse trends in individual banks by compilation analysis of data received in quarterly reports from banks.
4. Provide means for educating and training field examiner staff in developing expertise in examining Electronic Data Processing (EDP) installations and programs.

MILK CONTROL PROGRAM Disbursements \$192,825

PROGRAM DESCRIPTION: The Milk Control Program is responsible for assuring the milk producers of Montana proper payment and equitable treatment, preventing monopolies, and assuring an adequate supply of milk at a fair price to consumers.

PROGRAM BENEFITS: The Program issued 413 licenses; completed 168 audit months; recovered \$55,005 for producers; attended 7 board meetings; promulgated or amended 7 rules; computed 25 price announcements; investigated 17 alleged violations; levied and collected \$4,099 in fines; disseminated 549 annual reports; disseminated 13,176 price announcements; attended 4 base committee meetings; participated in 1 District Court case; and provided a stable market and an adequate supply of wholesome milk to consumers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Present license fee of \$2.00 for each producer and distributor is deposited in the General Fund and costs much more to collect than the revenue received. It is recommended that a "one-time" license be issued to reduce costs of licensing the producers, distributors and retailers.

CONSUMER PROTECTION PROGRAM Disbursements \$106,593

PROGRAM DESCRIPTION: The Consumer Protection Program has three primary areas of responsibility: Consumer Protection, Trade Regulation (Unfair Practices Act), and the Private Post-Secondary Education Bureau.

The Consumer Protection Program created in 1973 is responsible for protection of the Montana consumer from unfair or deceptive acts or practices in the conduct of any trade or commerce and enforcing the provisions of the Unfair Practices Act and the Consumer Protection Act.

PROGRAM BENEFITS: The Program provided for the following:

DEPARTMENT OF BUSINESS REGULATION

Total consumer contacts	2,665
Total complaints investigated	881
Total complaints closed	890
Dollar amount of complaints investigated	\$1,290,700
Dollar amount of monetary recovery to consumers	\$225,091
"Consumer Alerts" issued	14
Investigative demands issued	18
Assurance of voluntary compliance	4
Permanent injunctions issued	5
Informational responses	284
Speaking engagements and workshops conducted	32

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It will be necessary to request adequate funding from the 46th Legislature in order to prevent deterioration of services demanded by Montana residents in the past five years. The workload has increased over 300% since 1973; however, the Program still consists of 2.6 FTEs which were authorized by the legislature in 1973.

PRIVATE POST-SECONDARY EDUCATION BUREAU Disbursements See above

PROGRAM DESCRIPTION: The Private Post-Secondary Education Bureau is responsible for regulating proprietary post-secondary educational institutions, assuring Montanans the opportunity to obtain and receive an education commensurate with their abilities and desires.

PROGRAM BENEFITS:

1. Initiated two formal school inspections and participated in two informal school inspections.
2. Continued involvement in the communications network initiated with the Montana High School Counselors.
3. Strengthened relations with both the Office of the Commissioner of Higher Education and the Office of the Superintendent of Public Instruction.
4. Pushed for the formation of a Post-Secondary Education Committee to assure that continuity and communications regarding the regulation of all post-secondary education in Montana are covered.
5. Arranged for a consultant from the Colorado Department of Education to spend a week exchanging information and ideas regarding licensing and regulating procedures at no charge to the State of Montana.
6. Currently there are sixteen domicile institutions licensed in Montana, plus twenty-one licensed Montana agents, and fifteen out-of-state agents licensed, representing ten out-of-state insititutions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional rules to strengthen licensing procedures are needed and current rules that have no functional reason for existing should be deleted.

TRADE REGULATION PROGRAM Disbursements See above

PROGRAM DESCRIPTION: The Trade Regulation Program which replaced the Board of Trade in 1973 is responsible for effectively enforcing the Unfair Practices Act and for insuring fair competition in state business.

PROGRAM BENEFITS: The Program received 38 complaints and conducted 38 investigations, in which 30 violations were discovered.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Department will attempt again during the 46th Legislature to amend the Unfair Practices Act in order to provide the necessary enforcement "teeth" that the statutes have not provided since 1937. Otherwise, the Act should be abolished.

AGENCY DESCRIPTION:

The Office of the Commissioner of Campaign Finances and Practices was created by the 44th Legislature, and exists under authority contained in Title 23, Chapter 47, R.C.M. 1947. It is attached to the Office of the Secretary of State for administrative purposes only.

ADMINISTRATION PROGRAM Disbursements \$79,607

PROGRAM DESCRIPTION: The Program provides for the impartial administration and enforcement of the election laws relating to campaign finances and practices. The responsibility of the Program, as determined by statutory authority, is to promulgate administrative rules and to prepare and furnish report forms and a manual prescribing a uniform system of accounts for persons required to file information pursuant to Title 23, Chapter 47, R.C.M. 1947. In addition, it is to make all filed information available for public inspection, investigate all filed information and alleged violations, and, in conjunction with the county attorneys, initiate civil or criminal action to enforce the provisions of Title 23, R.C.M. 1947, or any other provision of state law relating to election practices in any political subdivision of the state.

PROGRAM BENEFITS: Administratively, the Program resulted in the disclosure of the source and disposition of funds utilized to influence elections in Montana and provided for a cursory review and partial public dissemination of such disclosures. It afforded the opportunity to provide routine educational assistance and perform limited investigations of alleged violations. It also assisted in a complete rewrite of the state's election laws.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENTS: Increase appropriations and staff to insure total implementation, administration, and enforcement of the election laws relating to campaign finances and election practices. The recommended increase will provide the means to continue and expand information and education programs; examine, audit, and provide wide public dissemination of information filed; and investigate and enforce alleged failures to file, falsifications, and violations. The accomplishment of these statutory mandates will encourage citizen faith and participation in the election process by insuring the purity of elections and the election process and by promoting an atmosphere in which there is a ready availability of complete, uniform, and truthful information about candidates for public office and money influence in politics.

AGENCY DESCRIPTION:

The Department of Community Affairs (DCA) has one central purpose: To provide financial and technical assistance to local governments in the areas of community development, human resource development, planning, housing, transportation, fiscal management, and information gathering.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department's Affirmative Action Plan was approved by the EEO Bureau of the Department of Administration on March 10, 1977. The director has reviewed the plan with all division administrators and all DCA employees have been notified by memorandum of the availability of the plan and have been provided copies of the DCA Affirmative Action Policy Statement, Discrimination Complaint Procedure, and Maternity Leave Policy. All applicants for employment are being reviewed by the EEO Officer and any cases of possible discrimination are discussed with the administrator.

AERONAUTICS PROGRAM Disbursements \$924,113

PROGRAM DESCRIPTION: The Aeronautics Board is a quasi-judicial board allocated to DCA for administrative purposes and may exercise its quasi-judicial functions independently of the Department and without approval or control of the Department. The Air Transportation Bureau administers the state aircraft pool and provides aircraft transportation for state personnel. The Airport/Airways Bureau provides technical and financial assistance to communities in airport development, navigational aid development, communications, aviation safety, and airport planning. The program plans, establishes, operates and maintains the state owned system of airports, navigational aids and communications facilities. The Safety and Education Bureau enforces state law on pilot and aircraft registration, provides search and rescue for lost aircraft, aids the aviation community and education systems in upgrading aviation qualifications, furnishes aviation information and education to high school and college level students who wish to study aviation for a career, and inspects and approves VA approved flight schools for training veterans in Montana.

PROGRAM BENEFITS: The Aeronautics Board was actively engaged in supporting legislation to prevent loss of air service to small communities and in preventing closure of the FAA Airports District Office in Helena. The Board also conducted three Commerical Air Carrier hearings to act on applications of Certificates of Public Convenience and Necessity. The Air Transportation Bureau chartered flights with Montana fixed base operators totaling \$69,898, rented airplanes totaling \$125,416, and flew state agencies a total of 1,620 hours. Through the Airport/Airways Bureau the general public benefited through continuing operation, development and improvement of Montana's state owned system of 14 airway beacons, 20 nondirectional radio beacons, 12 airports, and 55 air-to-ground communications facilities; \$193,390 in loans and grants for improvements on various community airports; new low intensity runway lighting systems at Hogeland and Turner; additional airway beacons at Lookout Point and Monida Pass; rotating airport beacons at Hogeland, Turner, Dutton, Ekalaka and Scobey; air-to-ground communication facilities at Stevensville, Valley Industrial Park, Laurel, Stanford and Miles City, plus improvement at

Malta; new nondirectional radio beacon at Choteau; new nondirectional radio beacon transmitters at Broadus and Malta; nondirectional radio beacon improvements at Jordan, Wolf Point, Red Lodge, Glendive, Circle, Baker and Hamilton; a training school that was conducted for nondirectional radio beacon technicians; improvements to Sweetgrass Border Crossing Airstrip and Lincoln Airport, both state owned; distribution of updated Montana Airport Directories; and technical assistance to individual Montana communities in the areas of aviation safety, engineering, communications and navigation. Through the Safety and Education Bureau 2,948 pilots and 1,824 aircraft was registered; inspection and monitoring of 16 VA approved flight schools were maintained; three full scale searches for lost aircraft were conducted; one flight instructor refresher course was given; 30,000 monthly newsletters were mailed to pilots and other interested persons in Montana and throughout the United States; five teacher workshops were conducted at various colleges around the state; Youth in Aviation competition in the high school aviation education programs was conducted; and one high school class and one adult evening class in pilot ground school were conducted involving 100 people in Helena.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. An increased funding level would provide more rapid improvement in Montana's Airport and Airways System. This would provide for great efficiency and safety in movement of goods and persons by air.
2. To take over from the FAA the airport inspections program would allow the Program to expand local assistance while at the same time would allow for reimbursement by the FAA. In addition this will allow accurate airport directory information which is updated annually.
3. To assume the responsibilities for four additional airway light beacons, which the FAA is discontinuing, would greatly benefit aviation in Montana. They provide visual airway references through the mountains at night, thus furnishing an essential safety factor in night flying.
4. Additional money should be budgeted for the Aviation Education Program to expand Youth in Aviation and teacher workshop programs. Some high school students are not receiving aviation education at present because of budget restrictions.

CENTRALIZED SERVICES PROGRAM Disbursements \$570,060

PROGRAM DESCRIPTION: The Centralized Services Program provides for the accounting, fee collection, budgeting, purchasing, records and statistics, payroll, personnel, legal, and general services requirements of the Department.

COUNTY PRINTING BOARD PROGRAM Disbursements \$1,250

PROGRAM DESCRIPTION: The County Printing Board is responsible for adopting and publishing a schedule of maximum prices to charge for county printing and legal advertising.

DEPARTMENT OF COMMUNITY AFFAIRS

PROGRAM BENEFITS: The County Printing Law requires that the county deal with an institution of some permanence on the locality which would be immediately accessible and accountable to county officials.

COAL BOARD PROGRAM Disbursements \$4,971,994

PROGRAM DESCRIPTION: The purpose of the Coal Board is to assist "local governmental units which have been required to expand the provision of public services as a consequence of large scale development of coal mines and coal using energy complexes."

PROGRAM BENEFITS: The general public benefited from this Program in the amount of \$10,235,965 during Fiscal Year 1978. Direct financial grants were used by local governments to increase public services and facilities as the result of the impact created by increased coal development. The monies provided for the construction of schools, water and sewer systems, machinery for street maintenance, law enforcement and fire safety vehicles, and school furniture and accessories.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Coal Board could improve its program by developing criteria to better define impact and establishing more specific administrative guidelines to assist in the awarding of future grants.

COORDINATOR OF INDIAN AFFAIRS PROGRAM Disbursements \$73,403

PROGRAM DESCRIPTION: The Indian Affairs Coordinator is responsible for working with Montana tribes; Indian organizations; and local, state and federal officials to improve state and tribal governmental relations. In addition, the Coordinator is responsible for providing advice and technical assistance to state and tribal governments in the areas of housing, health and welfare, education, economic development, law and order, employment and jurisdiction.

PROGRAM BENEFITS: During the fiscal year ending June 30, 1978, the Coordinator's office advised state and tribal governments on Indian matters (employment, education, health and welfare, housing, law and order, jurisdiction, legislation, economic development, etc.). The office initiated a number of projects for the purpose of improving tribal/state relations. These projects are as follows:

a. Montana Inter-Tribal Development Corporation

This proposed project is designed to provide management training and financial assistance to people interested in establishing businesses.

b. Native Courtworker and Counseling Project

This proposed project is designed to train Indian people as paralegals to assist Indian offenders and also to improve relations between tribal and state judicial systems.

c. Children's Model Code for Child Abuse and Neglect

This proposed project is designed to assist tribes in the development and implementation of a tribal code on child abuse and neglect.

d. Contributions of Montana Indians to American Society

This proposed project is designed to foster cross-cultural awareness through the publication of a historical document to be made available to educational institutions.

e. Conducted in-depth research on Indian Reserved Water Rights in Montana.

Other major office activities include:

a. Conducted a use feasibility study on the Childrens' Center facility located in Twin Bridges, Montana. This study was to determine the use of the facilities for a private, post-secondary Indian academy.

b. Assisted in the planning and implementation of in-service teacher training programs to enable Montana teachers to fulfill their teacher certification requirement in Indian studies.

c. Assisted state agencies and Indian tribes in the planning, coordination, and implementation of conferences, workshops, and various statewide seminars in natural resources, social services, education, and employment.

d. Provided assistance to various state agencies in encouraging Indian participation in the development of state plans.

e. Represented Indian concerns at various meetings held at the local and state level.

f. Provided technical assistance to Montana tribes, Board of Crime Control, and LEAA for the purpose of improving the overall Montana judicial system on Montana reservations.

g. Assisted LEAA in monitoring existing federal contracts on Montana reservations and at the Montana State Prison.

h. Reviewed and evaluated state and federal project applications having an impact on the Montana Indian population.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Present funding should be maintained in order to enable office personnel to meet the numerous requests for providing direct technical assistance to Indian people statewide.

HIGHWAY TRAFFIC SAFETY PROGRAM Disbursements \$817,910

PROGRAM DESCRIPTION: The objective of the Highway Traffic Safety Program, established in Chapter 46, Section 32-4601, R.C.M. 1947, is to promote public safety, health, and welfare, and reduce traffic deaths, injuries, and property losses resulting from traffic accidents. The short-term objective of the Program is to reduce the motor vehicle fatality rate (traffic fatalities per 100 million vehicle miles traveled) from the 1975 figure of 5.21 to 3.90 by December 31, 1980. The rate for Calendar Year 1977 was 4.91.

PROGRAM BENEFITS:

1. The reduction in the motor vehicle fatality rate was due, in part, to the many diverse projects funded through the Program during the last fiscal year. These projects included the establishment of Selective Traffic Enforcement programs in the cities of Great Falls, Missoula, Billings, Butte-Silver Bow, and in Lewis and Clark County. Other projects provided radar speed measuring devices for local law enforcement in the communities of Circle, Hamilton, and Harlowton as well as the counties of Jefferson and Mineral.
2. In an effort to reduce the severity of traffic related injuries, Emergency Medical Radio Systems were established in West Yellowstone, Clyde Park, and the counties of Valley, Roosevelt, Richland and Fergus.
3. Mileposting projects, required to identify high accident locations, were funded in the counties of Cascade, Gallatin, Yellowstone, Lewis and Clark, and Butte-Silver Bow.
4. Hazardous bridges were inspected and structurally evaluated in the counties of Flathead, Judith Basin, Golden Valley, Phillips, Big Horn, Deer Lodge, Wheatland, Rosebud and Pondera.
5. In the area of accident prevention, the School Bus Drivers Training Program was continued and a complete updating of all alcohol testing equipment in the State Alcohol Testing Program and Highway Patrol speed radar detection devices was accomplished.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The traffic accident severity in Montana could be greatly reduced if more citizens would obey the national 55 miles per hour speed limit and wear safety restraint systems available in their automobiles.

HUMAN RESOURCES PROGRAM Disbursements \$7,525,780

PROGRAM DESCRIPTION: The Human Resources Division (HRD) was established under both state and federal statutes to secure for the citizens of Montana the benefits offered by the U.S. Government for economic betterment and the relief of poverty. The Human Resources Division has two specific roles in accomplishing that function: (1) As the State Community Action Agency, the HRD funds, monitors and evaluates the activities of the state's ten HRDCs. These agencies are the local organizations implementing the state's specific antipoverty programs; (2) As the State Economic Opportunity Office, it advises the Governor on all antipoverty programs and their relation to the State of Montana; it acts as an advocate of the poor within state government and it provides technical assistance to local antipoverty groups.

PROGRAM BENEFITS: The Program contracted with the ten Human Resource Development Councils to deliver the following services:

- a. Winterized the homes of 1,759 low-income, handicapped and/or elderly persons affecting a savings in heating payments of over \$170,000 per annum.

- b. Provided over 6,000 low-income Montanans with jobs and/or employment services through the operation of CETA funds through the Governor's Employment and Training Council (initiated two new programs -- the Youth Employment and Training Program (YETP) for \$1,156,542 which employed 2,100 low-income youth, and the Youth Community Conservation and Improvement Program (YCCIP) for \$431,250 which employed 200 low-income youth in a variety of programs designed to upgrade the physical aspects of the communities in which they live.)
- c. Provided for the Community Food and Nutrition Program which:
 - 1. Developed community gardens in two planning districts -- proceeds to go to low-income people.
 - 2. Completed or began two greenhouses for low-income people in as many districts.
 - 3. Developed nutritional services for low-income persons in three planning districts. The purpose is to assist low-income people in developing better nutritional habits and marketing skills to insure adequate diets.
- d. Established a comprehensive, statewide human resource plan to implement local solutions to problems of the poor.
- e. Provided the state's HRDCs with over \$700,000 to operate antipoverty programs on the local level.
- f. Fulfilled the legislative and regulatory requirements as a State Economic Opportunity Office by:
 - 1. Reviewing and recommending to the Governor for funding all federally funded antipoverty programs throughout the state.
 - 2. Operating state funded weatherization programs authorized under HB 701 of the 1977 Legislature. The annual appropriation was \$150,000.
 - 3. Securing a \$700,000 grant from the Department of Labor to train migrant and seasonal farmworkers, primarily at the Family Training Center in Glasgow.
 - 4. Establishing the Montana Migrant/Seasonal Farmworker Program Advisory Council to assist in the operation of that \$400,000 program.
 - 5. Securing a grant to fund the Senior Citizen's District Coordinator Program statewide. The Program supported one person in each district to further the aim and membership of the Montana Senior Citizen's Association. By the end of the fiscal year, membership in the organization was up 25%.
- g. Operated the Emergency Energy Assistance Program providing over \$600,000 to 2,400 low-income citizens needing emergency housing, medicine, clothing or similar assistance due to the severe winter.

- h. Provided over 4,100 man-hours of on site visitation to HRDCs in areas of program planning, operation and financial management.
- i. Conducted 15 training sessions for HRDC staff to assist in implementation of various HRD programs.
- j. Provided funding to include staff and support costs for members of the Governor's Poverty Council.
- k. Provided funding and support for the Montana Senior Citizens Association to continue their advocacy efforts on behalf of the state's elderly.

LOCAL GOVERNMENT SERVICES PROGRAM Disbursements \$575,399

PROGRAM DESCRIPTION: The Local Government Services Program attests to the credibility of financial reports and management practices of all local government entities through post audits of their respective governmental operations. These audits are designed to ensure constituent interest by determining that the financial condition and operation of the respective entities are reasonably conducted and reported. These audits further ensure that all appropriate state statutes and regulations are accomplished, and that the stewardship of Montana local government entities is conducted in such a manner as to preserve and protect the public trust. The Program also involves liaison and consultant services to local government entities in the area of local government operations.

PROGRAM BENEFITS: During the fiscal year ended June 30, 1978, the constituencies of 280 Montana local government entities were informed as to the operation of their respective entities, the uses to which their tax moneys were put, and the extent to which local officials had adhered to relevant state laws and regulations. As a result, local officials were able to make better management decisions. Liaison and consultant services enabled local officials to discharge their responsibilities uniformly and effectively and expedited local government dealings with state and federal agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Of the three elements of governmental auditing, this Program addresses primarily the financial and compliance element. Due to increasing constituent demand for more accountability in public programs, it is recommended that future consideration be given to funding this Program at a level which would better address the economy and efficiency and program results elements.

ACCOUNTING AND MANAGEMENT SYSTEMS PROGRAM Disbursements \$204,255

PROGRAM DESCRIPTION: The Accounting and Management Systems Program exists to develop, implement, and maintain uniform budgetary, accounting and reporting systems for Montana cities, towns, counties, school districts and single purpose districts. In addition, the Program provides special accounting assistance to local government officials and on going training for local government finance and administrative personnel.

PROGRAM BENEFITS: During Fiscal Year 1978, Version I of a budgetary, accounting and reporting system for cities and counties was developed which is in compliance with all legal requirements and generally accepted accounting principles for governmental units. The implementation of this system will provide a decision making tool for local government managers and allow full financial disclosure to the general public. The training of local finance personnel during 1978 increased their accounting knowledge and skill to the end that they were able to improve their management practices. Improved accountability of local government provides the general public with the information needed to assess how tax dollars are utilized and to better evaluate the operating performance of the respective government units.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the level of Program funding be maintained in order to implement and maintain the city, county, and town budgetary, accounting and reporting systems and to develop systems for school districts and single purpose districts.

PLANNING PROGRAM Disbursements \$1,221,290

PROGRAM DESCRIPTION: The purpose of the Planning Division is to encourage and assist community development which is environmentally, socially and economically sound through comprehensive planning and program implementation with particular emphasis on land use, housing and transportation. These objectives are accomplished by providing the information required for local land use, housing and transportation programs; maintaining interagency and intergovernmental communication; providing technical and professional assistance; securing and administering federal funds; administering state earmarked funds; and advising the Governor on matters pertaining to land use, transportation, community development and housing.

PROGRAM BENEFITS: During Fiscal Year 1978, the Planning Division:

1. Provided local governments with technical review comments on more than 160 preliminary subdivision plats submitted pursuant to the Montana Subdivision and Platting act;
2. Administered approximately \$326,000 in federal assistance for state and local planning;
3. Provided technical planning assistance to planning boards and governing bodies of municipalities and counties in the areas of planning board formation, comprehensive plan preparation, land use regulation, and capital improvements planning;
4. Directly assisted five communities in land use mapping, population analysis, water and sewer evaluation;
5. Assisted 60 communities in preparing grant applications for federal assistance;
6. Prepared an analysis of major state and local planning and management programs which impact water quality;

7. Prepared a report on the form and status of local land use planning in Montana;
8. Coordinated a statewide land use mapping project involving six state and three federal agencies which provided detailed land use information for all Montana's counties;
9. Published a newsletter to enhance communication among federal and state agencies and local officials interested in community development activities;
10. Published a paper which analyzed Montana's "Green Belt" law for differential taxation of agricultural land and its effect on land use;
11. Secured and initiated a federally financed statewide rental assistance program for \$1,505,040 in annual contract authority and \$22,575,600 in reserved budget authority for 15 years, which pays a portion of the rent for 750 low-income families;
12. Secured an additional allocation of \$222,744 in annual contract authority (totalling \$1,727,784) and \$3,341,160 in reserved budget authority (totalling \$25,916,700) which provides an additional 116 units for low-income families;
13. Provided technical assistance to the Board of Housing in helping them secure a federally financed rental assistance program for newly constructed or substantially rehabilitated housing for \$306,160 in annual contract authority and \$9,184,800 in reserved budget authority for 20 years which will pay a portion of the rent for 80 low-income families;
14. Managed a federally financed disaster assistance temporary housing program requiring \$408,990 in federal funds assisting at least 56 eligible families by providing two transient accommodations, eleven rental units, and 55 mobile homes donated by the federal government to the state. This program will terminate in calendar year 1979;
15. Provided technical assistance for housing and planning programs to local governments, sponsors, developers, and individuals;
16. Completed an inventory of public transportation systems and analyzed the availability of transportation to the elderly and handicapped throughout Montana;
17. Conducted four informational and technical workshops on various aspects of public transportation;
18. Assisted 13 communities to plan and organize transportation systems serving the elderly and handicapped; and
19. Obtained federal funds and purchased 13 small busses on behalf of 8 private, nonprofit organizations in Montana.

RESEARCH AND INFORMATION SYSTEMS PROGRAM Disbursements \$283,923

PROGRAM DESCRIPTION: The Research and Information Systems Division acts in a staff capacity, furnishing research and informational backup to the Department, to other departments of state government, and to clients of the Department -- federal agencies in the state, local governmental organizations and their representatives, and the general public.

PROGRAM BENEFITS: Principal activities of the Research and Information Systems Division in Fiscal Year 1978 included the following:

Publications, Studies Completed:

Directory of Montana manufacturers printed and distributed. County profiles updated, expanded, printed and distribution begun. Population projections to the year 2000 by county and incorporated town printed. Directory of Trade, Technical and Selected Professional Organizations updated. Troy/ASARCO Mining Project Economic Impact Study completed. Fiscal study of coal mining impacts on a two-county area in southeastern Montana conducted. Cost of government comparison made for City of Poplar.

Computer Programs Designed; Data Stored for Retrieval; Special Tabulations:

Mortgage Portfolio Accounting System for Board of Housing; 3,100 records entered. Library Retrieval System designed for the Department of Natural Resources and Conservation library; state library documents. Water Quality Bureau, Forest Service records (7-10,000) added to system storage. Local Government Revenue and Expenditures file redesigned, supplemented with 1977 data. GRIPS departmental accounting system redesigned, coded. Coal tax allocations prepared quarterly (planning funds) for Planning Division. Statutory Information System searches made for: Fire Marshal's Office, Attorney General's Office, Local Government Services Division. Numerous mailing label listings prepared for wide variety of state offices.

Geodata Mapping Center Production:

Township identification file (4,600 records) enlarged, from Department of Revenue records. Water well map produced for Glendive DCA office. Mapping services provided for the Legislative Fiscal Analyst's office. Big Horn County Clerk and Recorder Office; maps produced and provided. Maps prepared --Fergus, Madison counties -- for Ecological Consultants, Inc. water quality maps -- produced for Westech, Inc. Federally owned subsurface minerals maps (statewide) coding completed. Well location maps produced for Bureau of Mines. State owned lands maps for three northwest counties prepared for U.S. Forest Service. Base maps prepared for Yellowstone County, Billings planners. Soils mapping in areas of Montana, North Dakota completed for Old West Regional Commission. Shading routing added to GRAFIX system capability.

Mass Model Implementation and Utilization:

Employment based population projects by county and incorporated towns prepared for use in 208 Water Quality planning project. Baseline

projections for Scobey area produced for Department of Natural Resources and Conservation. Population and employment projections for Daniels County prepared for Department of Natural Resources and Conservation.

Economic Development Services for Office of Commerce:

Export Directory prepared for Old West Regional Commission. Updated materials on the state and portions of its economy. Answering hundreds of inquiries by phone and mail. Prepared information portfolios.

Coordination Services for State Activities:

NASA cooperative mapping projects (4), including 2 Remote Sense Training courses. State Map Advisory Committee. Census Users workshops (2).

Preparaed NGS of horizontal control geographical locators for mapping Billings. Redistricted state Enumeration Districts for 1980 Census of Population. Maintained periodical files for DCA and Office of Commerce.

Group Presentations and Input by Division Members:

Council of Economic Advisors -- reports on study of state economy. Mark IV training course; instruction provided to Training Division. Governor's Conference on Libraries; Conference for Special Librarians. Mid-Continent Regional Science Association Meeting. Metric Conversion Committee. Committee for Rural Development. Advisory Council for Vocational Education.

SPECIAL PROJECTS PROGRAM Disbursements \$198,779

PROGRAM DESCRIPTION: The Special Projects Program was established to administer and distribute Federal Disaster Relief Funds made available to assist individuals and families which suffer serious needs as a result of a presently declared disaster. Funds were received from the Federal Disaster Assistance Administration, and the U.S. Department of Housing and Urban Development in the amount of \$198,779, in Fiscal Year 1978. From this, \$145,354 was distributed directly to local communities for flood disaster relief and recovery.

OLD WEST REGIONAL COMMISSION PROGRAM Disbursements \$64,414

PROGRAM DESCRIPTION: The Old West Regional Commission was established in 1972 under the Federal Public Works and Economic Development Act of 1965 to formulate and carry out regional economic development plans. The Commission is a federal-state partnership designed to solve regional economic problems and stimulate desired economic growth in the states of Montana, Nebraska, North Dakota, South Dakota and Wyoming. Responsibility for this Program has been transferred to the Governor's Office of Commerce and Small Business Development. The expenditures consist of closeout costs including Investment Plan and Technical Assistance Plan contracts.

ADVISORY COUNCIL FOR VOCATIONAL EDUCATION

AGENCY DESCRIPTION:

The Council, created in 1965 by executive letter and in compliance with federal legislation for vocational education, is responsible for advising the Board of Public Education on several specific matters dealing with vocational education, evaluating vocational education programs in the state, and assisting local advisory councils.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Council does not discriminate in its hiring practices. When vacancies exist, they are advertised and all applications are considered.

ADMINISTRATION PROGRAM Disbursements \$58,319

PROGRAM DESCRIPTION: See Agency Description.

PROGRAM BENEFITS: The Council provides the Board of Public Education with advice on the state administration of vocational education relative to needs, effectiveness, quality and quantity. This advice is provided through various means and is an ongoing responsibility of the Council.

MONTANA ARTS COUNCIL

AGENCY DESCRIPTION:

The Montana Arts Council exists to encourage the expansion of opportunities for all Montana citizens to create, participate in, and appreciate the arts, regardless of age, sex, race, income, place of residence, or physical condition.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana Arts Council has required all subgrantees to provide written agreement to conform to Title VI of the Civil Rights Act of 1964 and has acquired the services of a qualified Native American to assess the arts needs of our Native American communities. The Council maintains a listing of qualified minorities for appointment to the Council and seeks to support nonprofit organizations which have identified special cultural needs of minority groups.

PROMOTION OF THE ARTS PROGRAM Disbursements \$430,940

PROGRAM DESCRIPTION: See Agency Description.

PROGRAM BENEFITS: The Montana Arts Council has provided grant support and services to 231 specific arts projects through funds received from the State of Montana, the National Endowment for the Arts, and private foundations. The Artist-in-the-Schools project has provided 140 weeks of artist residencies in 89 schools. Thirty poet-writers, visual artists and filmmakers have travelled 52,000 miles throughout Montana sharing their creative talents with workshops for 10,000 students. In addition, they

have provided readings, talks and demonstrations affecting another 20,000 students and adults. The Monana Arts Council has conducted a cultural resources survey of all counties and has provided 16 planning visits to Montana communities and 4 special consultancies to reservations. The Council has produced and aired 10 one-half hour television documentaries on Montana artists. Each program has been repeated six times at various viewing hours on the MTN network, KYFR in North Dakota and KWSU in Washington. In addition, the Council office has handled approximately 4,000 requests for information and services.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: As the General Fund commitment to the arts in Montana has not kept pace with other states or the demonstrated needs of its constituency, it is recommended that a stable source of funding be generated at the state level which has its source in a special tax, such as the coal tax. The National Endowment for the Arts is creating a formula for the funding of state arts agencies based on the state's individual average income and the state appropriated General Fund dollars committed to the arts. Therefore, any growth in Montana Arts Council services or grants will depend on an increased commitment of General Fund dollars for the state.

BOARD OF PUBLIC EDUCATION

AGENCY DESCRIPTION: The Board of Public Education is a seven-member lay board appointed by the Governor. The Board is charged with the constitutional authority of exercising "general supervision over the public school system." The Board is also designated by statute as the "governing board of the State of Montana for vocational education," as well as being the governing board for the Montana School for the Deaf and Blind and the Montana Fire Services Training School.

THE BOARD OF PUBLIC EDUCATION PROGRAM Disbursement \$60,593

PROGRAM DESCRIPTION: The Board of Public Education was created by the 1972 Montana Constitution to exercise supervision and governance of public education in accordance with constitutionally and statutorily defined authority and responsibility. At monthly meetings, the Board meets to establish policy on a wide range of issues and to fulfill a special role in the governance of both secondary and post-secondary vocational education.

PROGRAM BENEFITS: Issues and projects of particular significance in Fiscal Year 1978 include:

1. Board compliance with the Montana Administrative Procedures Act: In October, 1977, the Board became subject to the APA and was faced with the task of transferring all of its previous rules and policies into the Administrative Rules of Montana. This project, coupled with the notice, hearing and formal preparation of all rules adopted since October, 1977, has been a large and expensive undertaking for the Board and probably accounts for at least 20% of total staff time during Fiscal Year 1978.
2. Dealing with vocational education "funding crisis" and Five Year Plan: During the fall of 1977, the Board's Five Year Plan for Vocational Education was rejected by the federal government, then finally accepted

after a great deal of difficulty and very time-consuming negotiation and revision. Hundreds of hours of Office of Public Instruction staff and Board staff and Board member time were devoted to this matter. Final resolution required the calling of two special Board meetings, numerous trips to Denver, and the expenditure of considerable time and money by the Board and other parties involved.

3. Other major items dealt with by the Board in Fiscal Year 1978 were the adoption of an Indian studies rule; research and policy recommendation on competency testing and adoption of new accreditation standards which attempt to deal with the competency issue; conducting numerous formal hearings on the suspension and revocation of teachers' certificates; convening of a retreat in which Board members shared their ideas about the role of the Board; dealing at length with proposed revision in library-related accreditation standards; overseeing and approving the creation of an improved Vo-Tech Center financial reporting system; monitoring Vo-Tech Center budgets and acting on capital construction requests for the Vo-Tech Centers; improving the operation of the Board committee structure; improving and formalizing governance of the Fire Services Training School; involvement in research by an interim legislative committee on the governance of Montana vocational education; and significant revision of school accreditation and teacher certification standards.

FIRE SERVICES TRAINING SCHOOL PROGRAM Disbursements \$135,759

PROGRAM DESCRIPTION: The Fire Services Training School Program exists to organize, supervise, and coordinate training and education for fire service personnel in the State of Montana according to local needs and the standards established by the State Board of Public Education.

PROGRAM BENEFITS: A specific benefit resulting from the operation of the Fire Services Training School is that firefighters responding to an incident are more knowledgeable of firefighting and life safety techniques, thereby providing a quality service to the general public. Also, through fire education the general public has a tenacious understanding of fire prevention, fire safety, burn prevention and burn first aid.

MONTANA HISTORICAL SOCIETY

AGENCY DESCRIPTION:

The Montana Historical Society exists for the use, learning, culture and enjoyment of the citizens of the state and for the preservation of historical art, historic sites, artifacts, documents and records, and the custody, maintenance and operation of the historical library. The Montana Historical Society was established in 1865 under the jurisdiction of the Historical Society and independent of any other museum or library owned, maintained or operated by the State of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana Historical Society has appointed an E.E.O. officer and all antidiscriminatory policies are advertised and emphasized by this agency. All open positions are advertised with all practical sources, and all qualified

applicants are considered for employment. All present employees are informed regarding their rights and privileges, and the E.E.O. officer is available to help them.

ADMINISTRATION PROGRAM Disbursements \$99,068

PROGRAM DESCRIPTION: The Director and staff administer seven programs, one subprogram, and 37 to 40 employees in response to guidelines established by the Board of Trustees. Activities include public relations, correspondence, personnel, payroll, board meetings, budgeting, financial reporting, fund raising, business management, accounting and historic sites.

PROGRAM BENEFITS:

1. Two new programs were created, including separation of Library and Archives and the inclusion of the Historic Sites Program. The Director is the State Historic Preservation Officer.
2. The Haynes collection was acquired, an extremely valuable collection of art, artifacts and photographs.
3. \$137,000 in donations was generated to make payments toward acquisition of "When the Land Belonged to God," by C. M. Russell.
4. Over 4,000 personal public relations contacts were made relevant to Historical Society operations.
5. Twenty-nine new policies and procedures were implemented to promote efficient management.
6. The Rendezvous of Western Art to promote contemporary art in Montana and the west was planned and presented.
7. Security was expanded to protect collections and the agency will attempt to assume the costs associated with this imperative service.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Additional security protection is continuing to be one of our major goals. We are in need of staff and equipment to adequately protect collections from theft and destruction.
2. Insurance protection must be brought up to an adequate level to protect collections and the people who donate them. A small portion of our collections are insured now and the value and volume of collections tend to increase at a rapid rate.

LIBRARY PROGRAM Disbursements \$101,413

PROGRAM DESCRIPTION: The Library Program was created by the Second Territorial Legislative Assembly in 1865 to acquire and preserve materials documenting the history of Montana, the Pacific Northwest and the Northern Plains, thus making them available for private and governmental research.

Such materials include books, pamphlets, newspapers, maps and other records. Library personnel work to aid the citizens in learning, historical research and cultural studies, and to preserve the heritage of Montana.

PROGRAM BENEFITS:

1. 16,990 items were catalogued and made available for study and research.
2. 11,087 specific reference requests were answered by the Library staff, to help in all phases of learning.
3. 137,942 pages of Montana newspapers were microfilmed.
4. The photographic reproduction service processed an additional 323 photos and made them available for use.
5. Personnel in the Library have made exceptional efforts to serve all visitors to their operation. With the increasing interest in history and culture, the Library will continue to be an extremely important learning link in historical research.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Library has an imperative need for trained personnel to catalog and store materials. Without additional staff, the backlog will continue to increase and fewer materials will be made available for public use.
2. Additional funding has been requested to supplement the microfilming program to insure that fragile materials are copied on film and that more material can be made available on film, thus eliminating the need to handle originals.

MUSEUM AND GALLERIES PROGRAM Disbursements \$200,945

PROGRAM DESCRIPTION: The Museum and Galleries Program functions to preserve and collect artifacts of Montana history, and to educate the public through creative cultural and historical programs dealing with the Northwest. The museum and galleries serve over 175,000 visitors each year, and an additional 6,500 school children.

PROGRAM BENEFITS:

1. The Museum Program received 799 requests for specific information. The present staff was able to satisfy most of these requests.
2. Eleven different art shows were presented in the Poindexter Gallery to promote contemporary Montana artists.
3. In a constant effort to bring history to the visitors of the Society, seven new displays were initiated and produced to try to provide a broad scope of visual education.

4. A special effort was made this year to conserve items that were in danger of decay. Professional conservators were contracted to provide guidance and technique for conservation of art works and artifacts. Much extra time was also dedicated to the preservation of the gun collection. A total of 283 items were restored and conserved.

5. The process of transporting, cataloging, displaying and preserving the tremendous Haynes collection of art, artifacts and photographs was started and a special temporary display established. The Haynes collection is an extremely valuable private collection, both financially and historically.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Adequate staff, equipment and funding is desperately needed to professionally care for the vast collections of the Montana Historical Society. Restoration, conservation and storage of articles as valuable as those in our collections must be a priority for this Program.

2. Additional services will be needed to assist in the processing of the Haynes collection because of the number and value of the articles and the requirements for accurate documentation of the collection.

PUBLICATIONS PROGRAM Disbursements \$137,552

PROGRAM DESCRIPTION: The Publications Program of the Historical Society includes a quarterly journal ("MONTANA, the Magazine of WESTERN HISTORY"), a quarterly newsletter (THE MONTANA POST), and various historical and promotional materials. The magazine has been published continuously since 1951 and reaches an audience of over 10,000 subscribers in all 50 states and many foreign countries. The membership fee of \$10.00 per year and \$18.00 for two years brings both the journal and newsletter by direct mail.

PROGRAM BENEFITS:

1. In the process of publishing the magazine, 450 manuscripts were reviewed. 45 of these were edited for publication and 368 were designed and edited for inclusion in the magazine.

2. 1,032 new subscribers were gained this year and a renewal rate of 76% was maintained.

3. A total of 86,624 publications, including magazine, newsletters, promotions, and special publications were distributed promoting Montana and the Northwest throughout the world.

4. "MONTANA, the Magazine of WESTERN HISTORY" continued as the top quarterly historical journal of its type in the world.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Because of the high quality of the quarterly journal, it continues to show a net loss each fiscal year. The magazine is the top ambassador for Montana and Montana history, and all efforts will be made to continue it. Alternate types of state support must be considered for this program as the importance of this publication to Montana must be realized.

MERCHANDISE PROGRAM Disbursements \$248,638

PROGRAM DESCRIPITON: The Merchandise Program exists to provide educational and artistic products which support the story the museum depicts, and thereby offers visitors an opportunity to increase their knowledge of Montana's history and artistic achievements.

PROGRAM BENEFITS:

1. 109,917 visitors were served and counter sales totalled \$136,024.
2. Total revenue generated by this program was \$305,368 of which \$42,254 was special project revenue including sales of the Hawken Rifle and the limited edition of "When the Land Belonged to God." Revenue from these special projects is to be allocated to the purchase of the original "When the Land Belonged to God," by C. M. Russell.
3. In an effort to activate stricter inventory control, a new perpetual system was initiated and 154 stale items were eliminated. This Program is in the process of streamlining inventory for better control and turnover.
4. A continued effort was made to provide relevant sales articles to the visitors to the Historical Society and to support all museum activities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The process of streamlining the operation of the revolving fund to provide better recording and analysis, and to provide revenue to meet the goals of the Society should be continued.

HISTORIC SITES PROGRAM Disbursements \$50,296

PROGRAM DESCRIPTION: The Historic Sites Program exists to implement the 1966 Historic Preservation Act and to administer the National Register and grants program within the State of Montana to determine a comprehensive statewide survey of historic properties, to provide protection from destruction, and provide funding through grants in aid for the preservation of historically significant areas.

PROGRAM BENEFITS:

1. Fifty-six potential historic sites were examined by members of the Program. Eighteen of these were put on the National Register.
2. Nine distinct grant requests for preservation of historical buildings and sites were processed, resulting in a distribution of \$105,000 to Montana for protection of historically significant sites.
3. Staff members processed 295 requests for information and clearance for projects in areas with possible impact on historic sites. Once sites are registered they are restricted and protected for the future.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Adequate staffing is required to meet federal guidelines associated with Historic Site preservation. If federal requirements are not met, grant money earmarked for Montana cannot

be allocated. A professional staff of three is required, and at fiscal year end there was one professional staff member. We are requesting additional funds to expand the Program. This Program is funded on a one to one federal match, so additional state funding will be matched by federal funds. Travel funds are also needed because this Program covers the entire State of Montana and all potential sites must be surveyed and examined before they can be registered or altered.

ARCHIVES PROGRAM Disbursements \$85,708

PROGRAM DESCRIPTION: The Archives Program was created by the Second Territorial Legislative Assembly in 1865 to acquire and preserve materials documenting the history of Montana, the Pacific Northwest, and the Northern Plains, thus making them available for private and governmental research. The Archives is an active program in acquiring, preserving, and organizing documents, papers and photographs relevant to Montana and the surrounding area. Also, this is the designated center for State of Montana documents. The Archives staff works to further study and learning in history, art and culture.

PROGRAM BENEFITS:

1. The Archives staff processed 178 cubic feet of private documents and 423 cubic feet of state documents thus making them available for research and professional use.
2. State of Montana documents were received and processed, thus allowing for the approved destruction of 6,112 cubic feet of nonrelevant material.
3. Archives staff received and answered 590 specific requests for information in an effort to expand learning and research use of the Archives.
4. New materials acquired and the continuing function of the Archives Program were expanded by 738 cubic feet.
5. Members of the Archives staff have made several trips to acquire materials and aid in the acquisition of collections important to the Society.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Additional funding is required for travel, materials and personnel to transport, preserve and catalog the extensive Haynes collection in Bozeman, Montana. This collection is extremely valuable and the opportunity to acquire it should not slip by because of inadequate planning.
2. Within the scope of general operations the addition of a staff member to actively seek collections would be of great benefit for the amount and quality of collections acquired.
3. The photo archives function will now be transferred to the Archives Program and additional funding for photo processing is imperative if the public is to have access to historical photographs.

MONTANA STATE LIBRARY COMMISSION

AGENCY DESCRIPTION:

The statutory authority for the Montana State Library Commission is contained in Title 44, Chapter 1, R.C.M. 1947. The State Library Commission is responsible for maintaining the state library, providing assistance to public libraries, furnishing library informational services to state agencies, developing standards for public libraries, requiring certification of librarians, and distributing state documents to depository libraries.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Montana State Library Affirmative Action Plan, approved by the Equal Employment Opportunity Bureau, Department of Administration, continued in effect for the third year, with attention paid to reaching the stated goals. Work began on a Rehabilitation Addendum to the Affirmative Action Plan.

GENERAL LIBRARY SERVICES PROGRAM Disbursements \$469,143

PROGRAM DESCRIPTION: The General Library Services Program provides assistance to public libraries and federations in order to coordinate library development throughout the state, and provides library services for state agencies.

PROGRAM BENEFITS: The delivery of a superior level of library service was available through increased membership in federations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A larger percentage of Title I, LSCA funds, should be spent for library development in local areas to strengthen public libraries with inadequate service.

LIBRARY NETWORKS PROGRAM Disbursements \$114,990

PROGRAM DESCRIPTION: The Library Networks Program provides Montana residents with a network which allows access to bibliographic information materials in-state and out-of-state through interlibrary loan and sharing of resources.

PROGRAM BENEFITS: This Program provides Montanans with faster, more comprehensive delivery of information and more efficient access to information services through the Montana Information Network and Exchange.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Steps should be taken to improve the statewide information network and to strengthen Montana's interface with regional and national networks. LSCA grant funds should be spent to allow Montana libraries to develop microfiche catalogs, to create an authoritative file for state corporate names, to update the Union List of Montana Serials, to coordinate the development of automated circulation and acquisition systems, and to participate in the regional computerized bibliographic network called the Washington Library Network.

INSTITUTIONAL LIBRARY SERVICES PROGRAM Disbursements \$86,479

PROGRAM DESCRIPTION: Montana State Library contracted with public libraries to provide library service to the following state institutions: Glendive Public Library for service to Eastmont Training Center - \$850; Miles City Public Library for service to Pine Hills School - \$1,900; Lewistown Public Library for service to the Center for the Aged - \$1,300; Flathead County Library for service to the Montana Veterans Home and Swan River Youth Forest Camp - \$2,550; Great Falls Public Library for service to the Montana School for the Deaf and Blind - \$1,600.

Montana State Library provides service directly to: Boulder River School and Hospital; Galen State Hospital; Mountain View School; Montana State Prison; Warm Springs State Hospital.

When an institution is located in a city where it is possible to ask the local public library to provide library service to the institution, Montana State Library contracts with the library for this service. The service may include bookmobile visits, deposit collections in the facilities or visits to the library. The library schedules programs for the residents which include book talks, story hours and films.

Montana State Library provides the following direct services:

Montana State Prison - a deposit collection for inmates; shelving and equipment for the library; interlibrary loan; paperback collections for maximum-security inmates; subscriptions for periodicals and newspapers.

Warm Springs State Hospital - librarian's salary; deposit collection for residents; interlibrary loan service; subscriptions to periodicals and newspapers; assistance with staff library; service to the closed wards.

Boulder River School and Hospital - librarian's salary; equipment for the library; deposit collection for the residents; educational materials; interlibrary loan, information and reference service to the staff.

Galen State Hospital - deposit collection; interlibrary loan; information and reference service to the staff; subscriptions to library materials.

Mountain View School - deposit collection; interlibrary loan; information and reference service for staff and inmates.

PROGRAM BENEFITS: Montana State Library underwrites partial costs of the provision of public library services to the institutions - both residents and employees. Their access to the services of Montana State Library expands their use of both recreational and research materials.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Montana State Library's Institutional Library Services Program needs to be reviewed with the Department of Institutions to assure quality library service to the residents.

LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY

HANDICAPPED Disbursements \$90,923

PROGRAM DESCRIPTION: This Program provides blind and physically handicapped readers access - directly or through local public libraries - to special informational resources.

PROGRAM BENEFITS: This Program served approximately 200 more blind and physically handicapped Montanans than were served in the previous year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The addition to the Montana State Library staff of a coordinator of volunteer services for the Division for the Blind and Physically Handicapped would greatly improve the Program.

ADMINISTRATION PROGRAM Disbursements \$92,428

PROGRAM DESCRIPTION: The Administration Program provides centralized administration and support for the other State Library Commission programs.

PROGRAM BENEFITS: Within policies developed by the Montana State Library Commission, the Program develops plans for better library service for all Montanans.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The administration of public library programs needs strengthening with more consultative services.

SCHOOL FOR THE DEAF AND BLIND

AGENCY DESCRIPTION:

Statutory authority for the School for the Deaf and Blind is contained in Title 80, Chapter 1, R.C.M. 1947. The School for the Deaf and Blind is a boarding and day school for children whose hearing and sight is so defective that they cannot successfully be taught in Montana's public schools.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Equal opportunity for appropriate education and training for children in this special category is the School's primary goal. The staff works to improve the quality and quantity of services through new techniques and effective outreach programs.

ADMINISTRATION PROGRAM Disbursements \$101,013

PROGRAM DESCRIPTION: The Administration Program is responsible for the management and guidance of fiscal matters at the School, day to day operation of the School, development and implementation of programs and services; public relations, advice and assistance to parents, personnel matters, and legislative considerations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The state laws concerning the School should be studied as to relevance and conformity to other federal and state laws.

EDUCATION

GENERAL SERVICES PROGRAM Disbursements \$160,673

PROGRAM DESCRIPTION: The General Services Program is responsible for general maintenance and repair of agency buildings, equipment and campus grounds.

PROGRAM BENEFITS: Campus security lights were installed; parking bumpers in parking lots were installed; and the area east of the campus was plowed and seeded with grass.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The roof on the vocational wing is in need of repair, cottages are needed to replace the 40 year old dormitory, and a physical education complex is needed.

EDUCATION PROGRAM Disbursements \$942,857

PROGRAM DESCRIPTION: The Education Program is responsible for development and implementation of services and programs of academic and vocational education for children at the School, and children served through outreach and itinerant services. Approximately 310 students are being served statewide. Of these, 129 are in attendance at the School in Great Falls.

PROGRAM BENEFITS:

1. Graduated and obtained job or post-secondary placement for ten students.
2. Continued increasing services to students statewide, as per projection of 44th Legislature.
3. Continued to increase services to visually handicapped children under Vision-Up Program.
4. Continued Interpreter-Tutor Program of services for 41 junior-senior high students with Great Falls Public Schools.
5. Continued relationship with positive feedback with Office of Public Instruction, local education agencies, Vocational Rehabilitation, and other state agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need for better coordination and definition of roles for all agencies serving hearing and vision impaired children.

CARE AND CUSTODY PROGRAM Disbursements \$325,178

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for the residential care, counseling, and guidance of children in residence.

PROGRAM BENEFITS: The children were cared for without incident or major problems throughout the year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. New living accommodations are needed badly.
2. The School needs financial resources and freedom to pursue innovative programs designed to make a residential setting less restrictive in a social sense and to assist parents and families toward closer family ties with their handicapped child.

AGENCY DESCRIPTION:

The ultimate mission of the Department of Fish and Game is to preserve, protect, enhance, maintain and make available to present and future generations, all forms of Montana's wildlife, their habitat and the natural and cultural resources of aesthetic, scenic, historic, scientific and archaeological significance. The Department's statewide responsibility in service to wildlife and habitat preservation reaches back over 75 years to the establishment in 1901 of a state game warden and early departmental structure, although Montana's first game law was passed in 1869. Since 1965, the Department has also been responsible for the administration of the "State Parks System" and for the administration of the Federal Land and Water Conservation Fund in Montana. The Nongame and Endangered Species Conservation Act charges the Department with the management of nongame wildlife for human enjoyment, for scientific purposes, and to insure their perpetuation as members of ecosystems.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

1. The Department has developed an affirmative action plan.
2. An equal employment policy statement has been issued to all Department employees by the director.
3. All new employees are required to attend the orientation sessions provided by the Department of Administration.
4. For employment purposes we have established the procedure of listing all position announcements (in addition to department personnel notification) with:

Employment Security Division
 Placement Office, MSU and U of M
 Women's Bureau, Labor and Industry
 State Employment Office
 Helena Indian Alliance

The Department also adheres to the state hiring policy disseminated by the Governor at his March 22, 1976, cabinet meeting.

5. The Department contracts with an Indian liaison officer (member of the Blackfeet Tribe), to help coordinate Indian affairs. The Department works closely with reservations in an effort to develop cooperative agreements which include employment of tribal members as state fish and game wardens. Cooperative agreements currently exist with the Fort Peck Reservation and the Fort Belknap Reservation.

PROGRAM COST: Costs of all operations are included in four programs as follows:

Wildlife -	\$5,820,125
Fish -	3,648,165
Parks -	1,922,438
Administration -	168,021

CENTRALIZED SERVICES DIVISION

PROGRAM COST: Included under Wildlife, Fish, Parks and Administration programs.

PROGRAM DESCRIPTION: This Division is an administrative and service unit. It provides direct supervision over budgeting, accounting, cashiering, claims, property, purchasing, payroll, personnel, licensing, land acquisition, information distribution, educational activities and support services such as mail and supply, reproduction, warehousing, shop, legal services and pilots.

PROGRAM BENEFITS: Benefits to the public include getting licenses into the hands of license agents for sale to the public, managing special drawings so Montanans successful in the draws can harvest game animals, accomplishing land acquisitions for use in the future by the public, and providing support services to fisheries, wildlife and parks personnel who impact on wildlife and parks resources.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Recommendations are to implement a credit card licensing system to better serve buyers of hunting and fishing licenses; implement, by 1980, an overhaul of the drawing programs; increase inventory turnover ratios in the warehouse operation to improve cost effectiveness; work with MONTANA OUTDOORS staff to increase revenues and decrease costs, thereby improving the revenue/cost ratio to 60% in Fiscal Year 1979, 70% in Fiscal Year 1980 and 80% in Fiscal Year 1981; revise accounting procedures for revenue to improve cash flow.

ECOLOGICAL SERVICES DIVISION

PROGRAM COST: Included under Fish Program and Wildlife Program.

PROGRAM DESCRIPTION: This Division provides information on, and representation of, the habitat needs of fish and wildlife so that they can be protected, preserved and propagated. This is in fulfillment of the responsibilities of the Fish and Game Commission and Department as provided by law. To accomplish this, it is the further specific objective to collect data for instream water reservations for fish and wildlife as authorized in Section 89-890, R.C.M., 1947; to protect stream channels as required in Sections 26-1501 to 26-1509, R.C.M. 1947; to report on impacts of major facilities as required in Section 70-807, R.C.M., 1947; to represent fish and wildlife in mine reclamation and development as provided in Section 50-1042, R.C.M., 1947; and to coordinate these and other common interest activities with other state and federal agencies.

PROGRAM BENEFITS: Benefits to the public include an accurate understanding of fish and wildlife values associated with various resource development options. From this understanding, both a vigorous defense of habitat and a realistic appraisal of inevitable losses can evolve. This reality is essential to achieve a balanced growth objective between resource exploitation and environmental preservation.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Ecological Services Division still tends to place the fish and wildlife resource in a posture dominated

by defensive actions. Positive programs such as allocating water for fish and wildlife, developing renewable resource development grants for fish and wildlife, and compensation efforts that enhance fish and wildlife habitat need to be emphasized.

FISHERIES DIVISION

PROGRAM COST: Included in Fish Program - entire program.

PROGRAM DESCRIPTION: The purpose of this Division is to provide optimum sport fishing for Montana's resident and nonresident anglers and to encourage commercial utilization of nongame fish where this is compatible with sport fishing.

PROGRAM BENEFITS: This Division maintains the fish population which now provides three million days of sport fishing annually in Montana by habitat preservation, stocking, and preparation of annual fishing regulations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Fishing license income needs to be increased to fully fund the present level of services in the face of inflating operational costs. The last fee increase which provided additional money for this Division was in 1967. While fishing license income still funds the Fisheries Division, it does not support the additional activities needed for the entire fish program such as law enforcement, ecological services, conservation education, accounting, and department administration.

LAW ENFORCEMENT DIVISION

PROGRAM COST: Included in Wildlife, Fish and Parks programs.

PROGRAM DESCRIPTION: The Law Enforcement Division is responsible for protecting fish and wildlife and their habitat from willful or negligent destruction by enforcing compliance with regulations and laws relating to fish, game, parks, and recreation. The goal of the Division is to protect fish and wildlife resources for posterity, promoting their wise and equitable use.

PROGRAM BENEFITS: Benefits to the public are derived from protection and management of the state's wildlife and recreation resources.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that sufficient funding be maintained to provide adequate management and protection of wildlife and recreational resources of Montana; that General Fund money be made available to fund programs involving state parks and recreational areas; and that sufficient funding be provided to fill existing vacancies within the Enforcement Division.

PARKS DIVISION

PROGRAM COST: Included in Parks Program - entire program.

PROGRAM DESCRIPTION: The Parks Division is responsible for:

1. Operation and maintenance of the "State Parks System" including state parks, recreation areas, monuments, recreational waterways, recreational roads and trails, and fishing access sites;
2. The conservation of scenic, historic, archaeological, scientific and recreational resources of the state and providing for their use and enjoyment by Montana residents and their guests;
3. The administration of the federal Land and Water Conservation Fund in Montana;
4. Administration of snowmobile recreation in Montana by providing for maintenance and installation of snowmobile facilities.

PROGRAM BENEFITS:

1. An estimated 8,768,182 recreation occasions were provided during an estimated 2,192,045 visits to Montana's State Parks System during the 1977 calendar year.
2. During Fiscal Year 1978, 14 sites within the system were improved under the Long Range Building Program. Planning and construction activities were underway for improvements at 60 other sites within the system. Land holdings within the system increased by 983 acres with acquisition by purchases, leases, gifts and exchanges. As a result, additions were made to 2 existing state parks, 1 existing monument, 1 existing recreation area, and 2 existing fishing access sites. Acquisitions also resulted in 1 new state park, 4 new recreation areas, and 13 new fishing access sites.
3. In Fiscal Year 1978, the Department administered the disbursements of \$2,665,458 in federal Land and Water Conservation Funds. Approximately 50% of these monies went to outdoor recreation projects sponsored by local political subdivisions, and approximately 50% went for state sponsored projects. As a result, 30 local and 16 state projects were written and approved.
4. To remain eligible for the Federal Land and Water Conservation Fund Program, it is necessary for the Parks Division to periodically update the Statewide Comprehensive Outdoor Recreation Plan (SCORP). Montana's 1978 SCORP was submitted to the Department of the Interior's Heritage Conservation and Recreation Service in the spring and was approved. In addition to continuing Montana's eligibility for federal funding, this document provides a Departmentwide action plan. It also identifies immediate future planning goals and should prove to be the most useful and relevant SCORP which has been prepared.
5. The Division administered Old West Regional Commission grants amounting to \$360,598. This money provided five local and three state projects which were similar to other recreational projects funded with Land and Water Conservation Funds.

6. The newly authorized Snowmobile Recreation Program got under way in the winter of 1978. Approximately \$40,000 of earmarked motor fuel taxes was used to provide parking area plowing and snowmobile trail grooming.

7. The Parks Division emphasis on seeking methods for acquiring lands at less than market cost has continued to prove beneficial to the Parks System. The legislative mandated acquisition of Wild Horse Island State Park is being accomplished without expenditure of state funds and with half the total appraised value of \$3,500,000 being donated by the owner.

8. The Division is also actively pursuing the management planning of recent major acquisitions to assure multiple recreational use of these properties, balancing the needs of the wildlife which inhabit these areas and the people who will use them.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. While law enforcement efforts to improve the compliance with public use regulations at state park system sites have been intensified and have greatly benefited recreationists, adequate enforcement of parks regulations must still be considered the number one field problem facing the Department. Outstanding progress was made in the spring and summer of 1978 when special enforcement patrols were assigned to Canyon Ferry. Additional law enforcement emphasis in the Flathead Region has also contributed to a more pleasant park experience for visitors to those sites. However, on a statewide basis, including these sites, more frequent presence of uniformed officers at park systems sites is desperately needed to protect the sites from abuse and to assure recreationists a safe, pleasant visit.

2. While the Parks System operation and maintenance activities are adequately funded at present, our constantly expanding system, together with increased costs, continue to put additional pressure on traditional revenue sources. The providing of alternate funding sources to relieve our use of the state General Fund continue to be a very high priority need.

3. In Fiscal Year 1978, the Office of Budget and Program Planning greatly streamlined and, in our opinion, thus improved the Executive Planning Process. This has resulted in meaningful, relevant processes for identifying the Department's needs and priorities. However, additional progress could be made if the Long Range Building Program and the Executive Planning Process could be more closely correlated so that efforts to provide planning for these two activities do not overlap and so that the very real relationship between the Capital Program and Operations Program can be easily recognized and identified.

4. Thought should be given to identifying methods of better coordinating development and implementation of state policy in regard to outdoor recreation.

WILDLIFE DIVISION

PROGRAM COST: Included under Wildlife Program - entire program.

PROGRAM DESCRIPTION: The goal of the Wildlife Division is to protect, perpetuate, enhance, and regulate the wise use of the wildlife resource for public benefit now and in the future. The Wildlife Division operations are all directed toward this goal.

The Wildlife Division is responsible for the Department's surveys, inventory, and research of the state's wildlife resource and its habitat. This work provides the biological basis for game and fur season recommendations to the Commission each year. Cooperation in programs affecting wildlife in the state is maintained with federal and state agencies, organizations, landowners, and sportsmen.

PROGRAM BENEFITS:

1. In 1978, a total of 2,300,000 man-days of hunting recreation was generated by the wildlife resource. Wildlife in the state also was the basis for an estimated equal amount of nonhunting outdoor recreation.

2. The Department acquired a 220-acre wildlife area along the Bighorn River in Big Horn County. A 474-acre tract was also acquired for wildlife habitat at Ear Mountain in Teton County. A donation of 58 acres in Gallatin Canyon was added to the Gallatin Game Range. During 1977, a total of \$55,000 was paid to counties as payments in lieu of taxes for wildlife areas owned by the Department.

3. A special effort was made to work on hunting access problems in eastern Montana. Involvement in public meetings and work with private landowners and agencies with land management responsibilities were continued. The nongame wildlife program was continued with improved coordination and results.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The nongame program needs increased funding from sources outside the Department to perform the work needed in Montana. Data concerning the nonhunting use of wildlife are needed.

AGENCY DESCRIPTION:

The Office of the Governor was created upon acceptance of Montana into the Union in 1889, and exists under authority contained in Article VI of the Montana Constitution. The Office oversees and directs the activities of the Executive Branch agencies in a manner which will insure responsible and responsive government for the people of Montana.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Governor continued to emphasize the importance of hiring practice improvements in state government. The Citizens' Advocate Office, in cooperation with the Human Rights Division, fields telephone calls and gathers information about cases of discrimination.

EXECUTIVE OFFICE PROGRAM Disbursements \$609,183

PROGRAM DESCRIPTION: The Executive Office Program is responsible for overseeing and directing the activities of the Executive Branch of Montana state government, insuring responsive government for Montana.

PROGRAM BENEFITS: The operation of the Executive Program for the fiscal year ended June 30, 1978, focused on continued efforts to improve the internal management of state government and to make it more responsive to the wishes of the citizens. The Program supervised and coordinated the various Executive Branch departments in the conduct of their duties and assisted in the resolution of policy and management matters. The Governor represented the State of Montana before congressional committees, federal agencies, regional offices, and other states to protect the lifestyle, financial security, and environment of the state. During the 1978 Fiscal Year, the Governor and the Executive Office established lead roles as spokesman for the Western States in various functions representing those states' interests.

MANSION MAINTENANCE PROGRAM Disbursements \$67,848

PROGRAM DESCRIPTION: The Mansion Maintenance Program funds the maintenance of the Governor's official residence.

OFFICE OF BUDGET AND PROGRAM PLANNING Disbursements \$674,952

PROGRAM DESCRIPTION: The Office of Budget and Program Planning (OBPP) assists the Governor in the planning, preparation, and administration of the state budget, the development and evaluation of alternative program plans for the provision of state government services; and the examination and improvement of methods of providing services to the citizens of the State of Montana. OBPP reviews the total organizational structure of the Executive Branch, makes recommendations on the transfer of functions between departments or the elimination of unnecessary functions, and formulates and monitors policies in areas of management concern. The Office also provides centralized services support for all programs of the Governor's Office, prepares and monitors estimates of revenues, houses the State Clearinghouse provided for in Office of Management and Budget Circular A-95, establishes guidelines and priorities for data processing services, and approves procurement of data processing equipment for Montana state government.

PROGRAM BENEFITS: Office of Budget and Program Planning activities resulted in the following benefits to the State:

1. Completed an evaluation of deinstitutionalization in Montana.
2. Developed an implementation schedule for state services to the developmentally disabled and emotionally disturbed.
3. Implemented the Executive Planning Process.
4. Completed a program review and report of the Public Employees' Retirement System.
5. Initiated a program to coordinate the delivery of services to handicapped children, in response to HJR 72. (This project will be completed in Fiscal Year 1979).
6. Simplified the budget preparation process.
7. Established a state travel policy pursuant to the provisions of House Bill 145 enacted by the 1977 Legislature.
8. Assumed responsibility for direction of the Statewide Budgeting and Accounting System Upgrade Project.
9. Published the following:
 - a. Summary of Findings: An Evaluation of Deinstitutionalization.
 - b. An Administrative/Program Analysis of Deinstitutionalization.
 - c. Behavioral Assessment of the Effects of Deinstitutionalization upon the Developmentally Disabled.
 - d. Final Evaluation and Status Report of a Followup Survey of a Sample of Mentally Ill Patients from Warm Springs State Hospital.
 - e. Management and Financing Study of the Deinstitutionalization Program.
 - f. An Integrated System of Planning and Budgeting for State Government.
 - g. The Executive Planning Process.
 - h. A Program Review and Client Satisfaction Survey of the Montana Public Employees' Retirement System.

INDIAN JURISDICTION PROJECT Disbursements \$100,228

PROGRAM DESCRIPTION: The Indian Jurisdiction Project exists to research jurisdictional differences between the state and tribal entities.

PROGRAM BENEFITS: The following benefits were derived from the Indian Jurisdiction Project: centralized research of jurisdictional questions; coordination of agency Indian activities; inventory of state-Indian litigation; centralized Indian law library, treaty analysis, cataloging and indexation of treaties; pending congressional bill inventory and file regarding Indian-state matters; research and analysis of the Coal Severance Tax; Amicus Curiae briefs; income tax analysis; water jurisdiction analysis; analysis of state building codes; state-tribal Memoranda of Understanding; analysis of current bills pending before Congress; jurisdiction of Montana traffic laws; institutional commitment jurisdiction; Flathead River jurisdiction; child support enforcement cooperation and jurisdiction.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that this Program be continued with adequate funding. The adequacy of the funding will determine the quality of the staff and the quality of the research conducted.

OFFICE OF COMMERCE AND SMALL

BUSINESS DEVELOPMENT Disbursements \$ 714,806

PROGRAM DESCRIPTION: The Governor's Office of Commerce and Small Business Development is authorized by the State Legislature to:

1. Reorganize the state's economic planning and development activities into a single, separate office, with the capability of assisting the Governor in developing and implementing state economic policy planning.
2. Develop programs capable of assisting state businesses with technical assistance to maintain existing jobs and create new ones, particularly in the primary industries.
3. Accomplish economic development planning, particularly for areas impacted by rapid growth or severe deterioration.

PROGRAM BENEFITS: The Office of Commerce and Small Business Development coordinates all economic development activities for the state. This includes the review of EDA 304 business loan applications and the administration and issuance of community technical assistance grants. The loan program amount is \$267,000 per annum, of which \$200,000 are EDA funds. Technical assistance and economic research grants are funded by the Old West Regional Commission. In addition, the Office provides management assistance each year for 50 to 100 new or expanding Montana businesses. The Office also answers several hundred inquiries concerning financial assistance searches, business and economic information requests and community development questions.

LIEUTENANT GOVERNOR'S OFFICE Disbursements \$ 748,406

PROGRAM DESCRIPTION:

Lieutenant Governor - The responsibilities of the Lieutenant Governor are prescribed in Article VI, Section 4, of the Montana Constitution. "The Lieutenant Governor shall perform the duties provided by law and those delegated to him by the Governor."

Northern Powder River Basin EIS Team - The State Team of the Northern Powder River Basin EIS Task Force works in conjunction with the U.S. Geological Survey in the analysis of impacts due to the development of the coal resources in the Powder River Basin of southeastern Montana. The Program exists to fulfill statutory requirements under the Montana Environmental Policy Act of 1971, and to advise both government decision makers and the general public of the benefits as well as the costs of surface coal mining. The Program was transferred to the Lieutenant Governor's Office effective July 1, 1977.

PROGRAM BENEFITS:

Lieutenant Governor - The Office of the Lieutenant Governor is responsible to the Governor for coordination and policy advice in the natural resource areas of state government.

Pursuant to a study by the Office of Budget and Program Planning, the state's energy program was reorganized. The Office of the Lieutenant Governor, effective July 1, 1978, functions as the State's Energy Policy Office responsible for the comprehensive planning and formation of the state's Executive Branch energy-related policy recommendations to the Governor, and coordinating the various component energy programs of the state.

Northern Powder River Basin EIS Team - The Montana taxpayers indirectly support the project through a grant from the Old West Regional Commission to the state. Through the project's publications and environmental impact statements, citizens of Montana can find more complete information on the many facets and impacts of surface coal mining, including socio-economic impacts, surface and ground water implications, and the status of reclamation under present law.

CITIZENS' ADVOCATE OFFICE Disbursements \$ 53,165

PROGRAM DESCRIPTION: The Citizens' Advocate was established in order to enable Montana's citizens to have better access to their state government.

PROGRAM BENEFITS: During Fiscal Year 1978, the general public in Montana had the opportunity to contact the Citizens' Advocate by toll-free telephone or by personal correspondence in order to obtain information, make suggestions, air complaints, and ask for assistance with any problems regarding state government.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The services offered by the Citizens' Advocate Office could be enhanced and enlarged with more publicity of the toll-free telephone number. This would enable the Office to serve more people in the state with relatively little extra cost.

MENTAL DISABILITIES BOARD OF VISITORS Disbursements \$ 34,176

PROGRAM DESCRIPTION: The Mental Disabilities Board of Visitors is responsible for reviewing patient care and treatment and insuring the protection of individual rights at community mental health centers and Montana's institutions for the mentally ill and the developmentally disabled.

PROGRAM BENEFITS:

1. The Board conducts ongoing site reviews of those institutions and community mental health centers within its purview. The site visits serve to evaluate the treatment and care of patients', protection of their rights, and the conditions of the physical plant (treatment areas, living quarters, and wards). During the past fiscal year, the Board issued 14 reports which reflect the accomplishments and deficiencies of these various facilities.
2. The Board assisted six residents at Boulder River School and Hospital in securing their right to register and vote in the June, 1978, primary election.
3. At the request of various service organizations throughout the state, the Board has presented information regarding the work and directives of the Board of Visitors.
4. The Board continues to respond to the requests of families regarding the care and treatment of their institutionalized family members.
5. The Board works closely with the Governor's Mental Health Advisory Council, the Developmental Disabilities Planning and Advisory Council, the Montana Advocacy Program for the Developmentally Disabled, and the regional advocates regarding the status of treatment and protection of patient rights.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Due to the limited number of specialists in the state, especially in the area of psychiatry and psychology, out-of-state consultants should be made available to the Board. With such expertise and no conflict of interest, human services throughout the state could be benefited.
2. The Board recommends that all counties in Montana be required to participate in mental health center funding so that community mental health services are available to all Montana citizens.
3. If this Board is to fulfill its responsibilities under Montana law it must have a budget which will permit more frequent visits to Boulder River School and Hospital and Warm Springs State Hospital. Such an increase would also support a more effective review of patient care and treatment throughout Montana's mental health care system.

AGENCY DESCRIPTION:

The statutory authority for the Department of Health and Environmental Sciences is Section 82A-601, R.C.M., 1947. The basic function of the Department of Health and Environmental Sciences is to protect and promote the health of the people of Montana through the implementation of beneficial public health programs and the enforcement of public health laws and regulations. It is the responsibility of the Department to assess health care needs and problems; in cooperation with local and private sources, develop and implement programs designed to meet health needs and alleviate problems; and continually elevate current public health programs.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Efforts were made on a continuing basis to conform to the standards set forth in the Affirmative Action Plan. Meetings with division administrators and bureau chiefs were held and supervisors were reminded of the importance of continuing to insure that the objectives of the Affirmative Action Plan are attained. The subcommittee to the State Intradepartmental Coordinating Committee for Women was active during this period. Their activities included review of the Affirmative Action Plan. The agency also participated in the State Management Intern Program to assist in the upward movement of qualified personnel.

HEALTH PLANNING AND RESOURCE DEVELOPMENT

(COMPREHENSIVE HEALTH PLANNING) PROGRAM Disbursements \$1,244,909

PROGRAM DESCRIPTION: The Health Planning and Resource Development Bureau has been designated by Governor Thomas L. Judge, through Section 69-4110.1, R.C.M. 1947, as the State Health Planning and Development Agency (SHPDA) pursuant to the requirements of Section 1521 of P.L. 93-641, the National Health Planning and Resource Development Act of 1975. The SHPDA's primary responsibilities are to conduct the health planning activities of the state by 1) developing and implementing a preliminary State Health Plan to be approved by the Statewide Health Coordinating Council (SHCC); 2) coordinating and supporting the SHCC; 3) administering the Montana Certificate of Need Law; 4) serving as the designated planning agency under Section 1122 of the Social Security Act; 5) developing and administering the State Medical Facilities plan; 6) coordinating all health planning data activities in the state; 7) reviewing and making findings concerning all new institutional health services in the state; 8) periodically reviewing existing institutional health services for their appropriateness; and 9) administering all federally assisted facilities construction activities.

PROGRAM BENEFITS:

1. In its second year of operation under P.L. 93-641, this Program continued to provide a broad-based planning structure directed at improving the health of Montana residents through improvements in health program coordination, health policy formulation, and health care delivery systems.

One facet of providing a broad-based planning structure is the coordination and support of the SHCC. This council is coordinated with the Montana Health Systems Agency (MHSA) by virtue of having membership which is identical to that of the MHSA Executive Committee. During Fiscal Year

1978 the SHCC met six times for orientation, to approve the SHPDA grant application, to decide on a State Health Plan format, and to keep up-to-date on SHPDA activities. In the future, this council will be responsible for reviewing the plans of other health related agencies in state government.

The Program also continued to coordinate its efforts with those of the MHSA by providing financial aid to the MHSA for subarea councils (which also strengthens local input into SHPDA activities), by assisting in the development of the MHSA's Health Systems Plan, by coordinating the Health Systems Plan with the Preliminary State Health Plan, by coordinating the program review process, and by attending all MHSA meetings.

Coordination with other health related agencies in state government is being achieved through the development of a preliminary State Health Plan which includes an inventory of goals, objectives and policies from all agencies.

Coordination with emergency medical services, alcoholism, substance abuse and mental health programs was enhanced by the development of components in those areas for the Health Systems Plan.

The Montana Hospital Association, Montana Medical Association, Montana Nurses Association, Montana Home Health Association, Montana Foundation for Medical Care, Montana Nursing Home Association, and a variety of other private societies and groups also were consulted and included in Program activities.

2. A newsletter was initiated to enhance public relations and coordination with other agencies and professional organizations.

3. An interagency coordinator was added to the program staff.

4. The Montana Health Data Management System, established through a contract with the Bureau of Records and Statistics, has completed the automation of the annual facility reports and automation and analysis of the physician personnel data, with work continuing in these areas as well as with an inventory of current health data sources. A new annual survey form has been developed for home health agencies.

5. A patient origin study to determine facility service areas was begun.

6. Health care costs are being tabulated for the State of Montana and for each individual health related program.

7. Under Certificate of Need and/or 1122 reviews, the bureau received letters of intent, resulting in:

- a) 2 projects denied totalling \$1,510,000, and
- b) 44 applications approved totalling \$26,315,547.

8. Progress was made in bringing Montana's Certificate of Need Law into conformance with minimum federal requirements through the establishment of a task force and the drafting of a proposed bill for the legislature.

9. At the beginning of the fiscal year there were seven Hill-Burton projects under construction. All of these projects were complete by the end of the fiscal year. Final audits were completed on three of these projects.

10. Construction progress inspections and final inspections were made on the seven Hill-Burton projects. In addition, construction inspections, licensure inspections, change of ownership inspections, and consultation inspections were made on 24 other facilities.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Amend the Montana Certificate of Need Law to bring it into compliance with minimum federal requirements.
2. Obtain legislative approval to utilize all available federal funds to fully conduct functions under P.L. 93-641.

MANAGEMENT SERVICES PROGRAM Disbursements \$868,547

PROGRAM DESCRIPTION: The Management Services Program furnishes medical supervision, administrative, and fiscal support to the operating public health programs. It is responsible for acquiring the personnel, materials, space, and services required in the operation of departmental programs. The Management Services Program also includes the Legal Division, the Records and Statistics Bureau, the Health Education Bureau, and the Public Information Unit.

The Legal Division provides legal services to other divisions and some services to the Board of Health and Environmental Sciences. These legal services include reviewing contracts, filing administrative and court actions to enforce the laws administered by the Department, scheduling agenda of the Board, drafting legislation and administrative rules, writing legal opinions, and giving legal advice to members of the Department regarding their programs.

The Bureau of Records and Statistics administers the state's vital statistics system for the collection of birth, death and fetal death certificates, marriage and marital termination records, and reports of legally induced abortions. It also provides data from the above records in published form upon request, and provides statistical consultation to other divisions and local health departments.

The Public Information Unit serves as a central source of information about the Department's goals, activities, policies, programs and problems; is the official channel of communication between the agency and the news media; develops public information/education materials for any programs upon request; and participates in workshops, seminars, and other educational efforts.

PROGRAM BENEFITS:

1. All billings generated by the Department are recorded in the Accounts Receivable System of the Statewide Budgeting and Accounting System.

2. Improvement has been made to the letter of credit system for securing federal grant funds for program operations, resulting in a closer alignment of fund receipts with expenditure disbursements.

3. The Position Control Report from the Office of Budget and Program Planning was utilized by the various program managers in the agency for the purpose of managing personal services.

4. The total budget and accounting plan for the agency was reviewed and revised to meet the specifications set up by the Department of Administration for the system to be initiated by July 1, 1978.

5. The following also was accomplished:

Claims documents processed	8,690
Journal vouchers, interagency claims, revolving fund payments processed	2,412
Personnel actions processed	619
Films and training aids scheduled	4,058

6. The Legal Division opened 125 files and closed 75; issued 20 formal opinions; amended 8 rules; adopted 9 rules, 2 of which were emergency; repealed 4 rules; filed 9 actions in District Court; represented the Department at 9 District Court hearings; issued 24 compliance orders; represented the Department at 12 administrative hearings; filed 2 Supreme Court appeals; and represented the Department at 2 Supreme Court hearings.

7. The Bureau of Records and Statistics accomplished the following: issued 14,308 certified copies of birth and death certificates; deposited \$28,616 in the state General Fund; verified information from 3,647 vital records free of charge to veterans or to other state agencies; processed 227 corrections on vital records as a result of providing the parents informational copy of the birth certificate; processed 1,015 corrections based on affidavits; processed 763 adoptions; filed 477 delayed birth certificates; consulted with 1,320 clients who appeared in the office regarding vital statistics problems; and handled 12,231 telephone calls regarding vital statistics matters.

8. The Public Information Unit researched, wrote, and distributed 110 news releases to the media, 97% of which were used; handled 208 media inquiries, handled 1,320 inquiries from the public; prepared 60 public information/education materials, including press kits, slide shows, pamphlets, posters, public service announcements, and articles for newsletters; coordinated or made presentations for 3 seminars or workshops; collated or edited 6 special reports for Governor's staff, legislative committees and other officials.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Make resources available to Records and Statistics Bureau which would enable it to capture information from vital statistics indexes in machine readable form. The current indexes, most of which were prepared utilizing manual methods, are deteriorating physically and are difficult to update.

2. Employ a staff field auditor to service the great number of federal grant projects established with local entities. This action will satisfy federal requirements and will save considerable money over the cost of contracting with private accounting firms for the service.
3. Present to the legislature a plan for the consideration of a building which will provide headquarters for the entire staff of the Department. The present housing of offices in seven different buildings in Helena causes considerable loss of administrative and operational efficiency.
4. Install a cathode ray tube reader for instant financial updates from the central computer service with the Department of Administration.
5. Use electronic data processing capabilities to provide scheduling, shipping and cataloging of films, video tapes, and training aids to increase the ability to schedule materials on the first day requested.

COMMUNICABLE DISEASE CONTROL PROGRAM Disbursements \$401,454

PROGRAM DESCRIPTION: The Communicable Disease Control Program is responsible for surveillance of all communicable diseases within Montana; prompt, accurate investigation of threats to the public health; instituting the appropriate control measures when necessary; providing advice and information to health professionals and the public to further the understanding and prevention of the communicable diseases; and providing certain vaccine and medications to individuals for the prevention or treatment of certain diseases. Much of this Program is accomplished with the cooperation and assistance of local health departments.

PROGRAM BENEFITS:

Provided services		July 1, 1977 - June 30, 1978			
1. <u>Immunization</u>	<u>Polio</u>	<u>Measles</u>	<u>Rubella</u>	<u>Diphtheria</u>	
Number of cases	0	122	18		0
Number of vaccine doses	15,797	9,100	7,072		17,310
Percent immunized -					
2 years old	88	92	90		94
Percent immunized -					
6 years old	88	81	73		92
Number of lab tests	275	780	25,189		6
Number of specimens submitted	237	423	25,189		6
2. <u>Venereal Disease Control</u>					
Number of civilian gonorrhea cases identified and treated					2,224
Number of infectious syphilis cases identified and treated					11
Number of tests for gonorrhea					26,788
Number of tests for syphilis					79,644
3. <u>Tuberculosis Control</u>					
Number of new cases identified and treated					62*
*same number as preceding fiscal year					
Number of specimens submitted for tuberculosis testing					3,406
Number of tests for tuberculosis					19,588

<u>4. General Communicable Disease Control</u>	
Number of cases of Salmonellosis	60
Number of cases of Shigellosis	78
Number of Enteric specimens	169
Number of cases of Hepatitis	363
Number of cases of Encephalitis	5
Number of specimens submitted for Encephalitis testing	234
Number of tests for Encephalitis	732
Number of all lab specimens	86,677

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. A statewide law for immunization of school children will greatly improve the rapidity and efficiency of disease control in schools, especially for measles, rubella, and diphtheria. This will be introduced in the 1979 Legislative Session with a high Department priority.
2. The rule-making authority for communicable disease control was obscured in the 1974 Legislative Session recodification. A brief statute will be proposed to the 1979 Legislative Session.
3. Biologicals and vaccines for routine and emergency protection are being supplied to citizens at federal expense or for reimbursement. Our ability to absorb this cost in the future is limited, with the federal monies likely to diminish, and with inflation. Increased appropriations in the future will be requested specifically for vaccines and biologicals.
4. More state funding to local health departments would give them the capability to promptly investigate and control occurrences of communicable diseases.

HEALTH CARE FACILITIES AND MANPOWER PROGRAM Disbursements \$1,180,981

PROGRAM DESCRIPTION: The Health Care Facilities and Manpower Program is responsible for monitoring the operation, maintenance, and design of various medical facilities and services, including hospitals, long-term care facilities, ambulances and ambulance services, home health agencies, medical laboratories, out-patient physical therapists and facilities, speech pathology services, renal dialysis units, and mental health treatment facilities. The Program has legal authority to issue licenses, grant Medicaid certification, and recommend Medicare certification to those facilities and services which meet the regulations. It has the legal responsibility to promulgate and revise licensing regulations, to investigate and act upon citizen complaints, and to revoke the license or certification of any facility or service which falls below minimum standards and jeopardizes the health or safety of the patients or clients.

The Program's two components, Emergency Medical Services Bureau and Licensing and Certification Bureau, plan and present training programs for health care manpower - in particular, emergency medical technicians and nursing home personnel. The Emergency Medical Services Bureau administers federal grant money for the improvement of emergency medical services, including the purchase of ambulances and communication equipment. Both bureaus offer consultation to the management of the various facilities and services.

PROGRAM BENEFITS:

1. Efforts were continued to maintain productive working relationships with other similarly commissioned agencies and organizations -- Montana Health Systems Agency, Montana Hospital Association, Montana Department of Social and Rehabilitation Services, Montana Nursing Home Association, Montana Medical Association, local Emergency Medical Services councils, administration and staff of hospitals, nursing homes, ambulance services, and a wide range of individuals and groups with interest in the activities of the Program. Of special importance is the relationship which must be maintained with the federal regional offices of Medicare, Medicaid, and Emergency Medical Services.
2. The Licensing and Certification Bureau conducted 187 license inspections of hospitals, nursing homes, home health agencies, infirmaries, and mental health mental retardation institutions. The other facilities mentioned in the Program description are not licensed under state law, but certified through one federal program or another. The Bureau carried out 174 Medicare certification surveys and 156 Medicaid certification surveys. Sixteen complaints were investigated; 410 followup visits were made to verify correction of deficiencies. Consultation is provided during each survey and followup visit.
3. The Emergency Medical Services Bureau licensed 108 ambulances, obtained federal EMS Act funds, provided technical assistance to local EMS councils, revised the evaluation system to conform to the national model, purchased equipment with grant funds, instituted a new EMT certification program, and sponsored the following training and education programs: Crash Injury Management for the Montana Highway Patrol; education/training programs for Montana Law Enforcement Academy; neonatal and poison control workshops.

ENVIRONMENTAL HEALTH PROGRAM

(ENVIRONMENTAL SCIENCES) Disbursements \$4,386,398

PROGRAM DESCRIPTION: This Program is concerned with the problems of health maintenance, productivity, and well-being related to conditions of the environment or stresses in the environment. Emphasis is directed, primarily, towards the study of the existing environment -- whether it is safe and, if hazards are found, to specify corrective measures. The ultimate objective is to predict potential hazards in the course of progress and to design them out.

The Environmental Health Program is implemented by six bureaus: Air Quality, Food and Consumer Safety, Occupational Health, Solid Waste Management, Subdivision, and Water Quality, and several city and county agencies which received over \$1,119,333 from the state to participate in various division programs.

The purpose of the Air Quality Bureau is to achieve and maintain such levels of air quality as will protect human health and safety, and, to the greatest degree practicable, prevent injury to plant and animal life and property, foster the comfort and convenience of the people, promote the economic and social development of the state and facilitate the enjoyment of the natural attractions of the state.

The Food and Consumer Safety Bureau protects the public health through its administration of programs covering food purveyors, public housing, institutions, and vector control, plus activities in home and product safety and enforcement of the Food, Drug, and Cosmetic Act. Public health protection is further enhanced through the Bureau's extensive activities in professional sanitarian training and consultation.

The Occupational Health Bureau has two sections. The Industrial Hygiene Section monitors work places for excesses of dusts, gases, mists, noise; light; health; biological sampling; dust and gas control systems; and ventilation. The Radiological Health Section maintains surveillance of radiation sources. This Bureau provides the bulk of the hazardous materials emergency response team's direction and coordination.

The Subdivision Bureau has the responsibility for reviewing the public health and environmental aspects of every proposed subdivision submitted to the Department of Health and Environmental Sciences. The Subdivision Bureau attempts to assure that each purchaser of a subdivision lot has a safe and dependable domestic water supply, a nonpolluting, reliable sewage disposal system, and an approved disposal site for garbage and trash.

The Solid Waste Management Bureau is responsible for licensing solid and hazardous waste management systems, assuring the systems are operated in accordance with applicable laws, and initiating any required legal action. The Bureau issues grants and loans to local governments for solid waste management planning and implementation, and provides technical assistance to waste management systems managers and local government officials. The Bureau also administers the state Junk Vehicle Program.

The Water Quality Bureau is responsible for administration of the state's water pollution control and drinking water laws.

PROGRAM BENEFITS:

1. The Air Quality Bureau accomplished the following:

- Processed 153 construction permits to assure that polluting industries comply with air quality rules and standards.
- Performed 7,503 laboratory analyses on 2,796 samples to evaluate the effects of air pollution. The Bureau analyzed 148,920 hourly field samples to investigate the air pollution levels throughout the state.
- Enforced compliance with air quality rules and standards through 238 field surveillance actions.
- Initiated air quality maintenance plans and prevention of significant deterioration plans to protect future air quality.
- Investigated over 100 complaints on air pollution sources.
- Coordinated with other governmental agencies to reduce emissions from slash burning and dusty roads.

-- Prevented 291,000 tons per year of pollutants from entering the atmosphere.

2. The Food and Consumer Safety Bureau accomplished the following:

-- Distributed \$119,536 to 26 local public health sanitarian jurisdictions through the license fee refund program. As a result, 12,694 on-site inspections were made which led to a reduction in hazards to the health, safety, and welfare of the public.

-- Licensed 7,052 food purveyors, public housing and trailer court/campground operations during calendar year 1977. This is a seven percent increase in industry growth and Bureau activity over 1976.

-- Inspected 72 local jails and 20 state institutions.

-- Investigated and resolved 226 consumer complaints regarding food, drug, and cosmetic problems, conducted 15 in-depth product related injury investigations, and responded to another 65 similar consumer complaints.

-- Conducted a survey of health food stores and corrected labeling and packaging problems which were causing customers concern.

-- Three employees of the Bureau were commissioned as federal agents in Montana by the U.S. Consumer Product Safety Commission to have federal authority over all goods in Montana. One hundred facility inspections were conducted during the year, covering approximately 10,000 consumer products. Twenty-five violative products were encountered and corrective measures taken.

-- Vector control activities involved completion of 15 field surveys in 10 counties, providing 448 consultations to local agencies, conducting 2 formal training sessions, and providing laboratory assistance in making insect identification and monitoring pesticide effects.

-- Developed a formalized policy/permit system for trapping/planting mosquitofish east of the Divide, initiating biological control in 11 local programs and establishing 4 overwintering sites.

-- Gave 32 educational presentations to an audience of 1,189 consumers and reached approximately 700 additional consumers during "Consumer Fairs." Prepared and distributed radio, television, and newspaper releases on various product safety subjects.

-- Provided program consultation, training and recruiting assistance for 8 new local sanitarians and 29 county health departments, and planned and conducted 2 formal education conferences for 170 local sanitarians.

3. The Occupational Health Bureau accomplished the following:

-- Initiated the Montana Breast Exposure: Nationwide Trends (BENT) program. Radiographic techniques were evaluated at all facilities in Montana that perform mammographic examinations. In most of these facilities radiation exposures were significantly reduced (in one case by 94%) and mammographic images were markedly improved, thus making possible

earlier detections of breast cancer. Approximately 20,000 women per year are benefitted by this program.

-- Inspected the following x-ray equipment to assure safety and compliance with state standards:

<u>Location</u>	<u>X-Ray Units Inspected</u>
Hospitals	228
Physicians	74
Chiropractors	12
Dentists	34
Podiatrists	1
Veterinarians	3
Industrial	5

Two hundred thousand Montanans benefitted from the x-ray inspection program in Fiscal Year 1978.

-- Performed occupational health inspections at 411 workplaces during 1978. Corrective action was initiated in each workplace having conditions hazardous to the health of workers. The health of approximately 8,000 workers was benefitted by this program.

-- Reviewed plans and computed minimum radiation shielding requirements for 15 new x-ray facilities.

-- Leak-tested and inspected for safety 109 radioactive sources.

-- Inspected and measured for leakage 57 microwave ovens.

-- Measured mercury contamination levels in 77 dental offices.

-- Analyzed 72 water samples for gross alpha and gross beta activity.

-- Investigated 141 complaints received from employees, employers, and the general public relating to occupational health.

-- Initiated a comprehensive environmental radiation study in the Butte and Anaconda areas. Phosphate slag having a high content of the radioactive isotope radium-226 was found to have been used in the construction of homes, schools, hospitals and commercial buildings. In addition, this radioactive slag has been used for the paving and graveling of roads throughout Butte and Silver Bow County. This study and appropriate corrective action will continue. At least 40,000 people will ultimately be benefitted by this study and action.

-- Provided environmental noise control consultation and technical assistance to requesting individuals and communities.

4. The Solid Waste Management Bureau accomplished the following:

-- Provided \$146,639 in grant funds to local governments for the purpose of detailed solid waste management planning. The grants involved 85 municipalities and 12 county governments, and will affect at least 221,000 Montana citizens.

-- Closed or upgraded to landfill status 15 open burning dumps, inspected 4 new solid waste disposal sites, and inspected 250 refuse disposal sites.

-- Granted \$601,687 to counties to fund local junk vehicle programs, reviewed 56 county junk vehicle program budgets, inspected 61 county free motor vehicle graveyards, inspected 115 private motor vehicle wrecking facilities, and initiated 12 legal actions for enforcement purposes. Collected and recycled 6,400 junk vehicles representing 8,000 tons of ferrous metal.

5. The Subdivision Bureau accomplished the following:

-- Reviewed over 2,500 subdivision applications. This consists of 15,650 lots on 10,500 acres.

-- Prepared an environmental impact statement for the subdivision of the Hensler Ranch in Ravalli County.

-- Prepared preliminary environmental reviews for 33 proposed subdivisions.

6. The Water Quality Bureau accomplished the following:

-- The Water Quality Bureau has 352 active discharge permits to control wastewater discharges to surface waters. Active compliance monitoring of waste discharges and inspections of waste treatment facilities have resulted in improved compliance by permittees. Several former discharges have been eliminated by changing over to nondischarging systems.

-- Completed inventories and assessments of nonpoint pollution sources from various land uses and land use practices under the Statewide 208 water quality management program. Subsequent recommendations for appropriate management and regulatory programs to correct nonpoint pollution sources are being developed following their analysis.

-- Contributed staff time to the IJC's Poplar River Water Quality Board which is responsible for developing recommendations for water quality protection on the Poplar River.

-- Testified in support of the Department's application for an instream flow reservation to protect water quality of the Yellowstone River at the Department of Natural Resources and Conservation public hearings in the Yellowstone River Reservations.

-- Conducted public participation workshops and youth field trips in numerous areas of the state.

-- Developed and aired public service announcements on water pollution on TV throughout the state.

-- Received primacy by the Environmental Protection Agency to administer the Federal Safe Drinking Water program at the state level.

-- Inventoried 1,515 public water supplies and monitored water for potential bacteriological contamination.

- Allocated a total of \$15,624,000 in federal construction grant funds to plan and upgrade municipal waste treatment works. Eighty communities are presently at some point in the grant program.
- Investigated 76 complaints of water pollution which led to 27 corrective actions by the Bureau.
- Sampled 53 municipal and 44 industrial discharges to insure compliance with state standards. Major municipal and industrial discharges are sampled more than once.
- Completed assessments of water quality problems related to agriculture, mining, forest, and solid waste disposal with recommendations to various levels of government for management solutions.
- Conducted 10 public participation workshops in Montana communities to receive public comment on their assessments and recommendations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Air Quality Bureau recommends that additional staff be hired to aid in surveillance and enforcement activities.
2. Recommendations from Food and Consumer Safety Bureau include:
 - Develop a public health sanitarian training program designed to provide continuing education with objectives in standardization of inspectors and inspection techniques, both in food service and food manufacturing establishments.
 - Develop legal agreements between the Bureau and local sanitarian jurisdictions which will allow those activities best accomplished at the local level to be done there.
 - Develop a service oriented flexible local sanitation program evaluation program.
 - Develop a more comprehensive swimming pool program which will include training of local health department staff as well as pool operators.
 - Complete the revision of the trailer court regulations.
 - Formulate a comprehensive public accommodation regulation which addresses all types of accommodations licensed by the Department.
 - Determine the current status of hotels, motels, and trailer courts in order that the new regulations will emphasize the areas of concern and that inspection intervals and concerns may be evaluated.
 - Determine what, if any, involvement the Department should have in the administration of the inspection program for day care facilities, adult foster care, group homes, and any other facilities which require sanitarian and fire marshal approval.

- Increase surveillance of institutions through the accomplishment of at least two routine inspections each year.
 - Continue work to develop and present training programs for the state institutions directed toward particular problem areas (i.e., housekeeping procedures, equipment and supplies, rodent and insect control, and proper pesticide use).
 - Integrate biological control options into additional local programs, continuing and expanding use in programs where previously initiated, and giving high priority to establishment of locally available overwintering facilities for mosquitofish.
 - Develop formal standards for the state vector control disaster response plan and implement response capability to local programs.
 - Develop new and revised vector control bulletins to include consideration of vectors now receiving little attention and to provide better guidance in areas where multiple inquiries are received.
 - Improve local monitoring activities being provided by increased numbers of inexperienced local personnel in the vector control program.
 - Expand Consumer Product Safety Information and Education Program to include areas of specific concern (chain saws, power tools, etc.) as well as overall program cooperation with other agencies in areas related to product safety.
 - Continue inspection and investigation efforts to include development of a product-related injury reporting system through hospitals.
3. The Occupational Health Bureau recommends that:
- Radiation environmental surveillance be increased.
 - Agreement status be negotiated with the U.S. Nuclear Regulatory Commission for the assumption of licensing and regulating authority for by-product materials.
 - The radiological health section be expanded to provide licensing capabilities for naturally occurring and electronically produced radioisotopes.
 - A program of plan evaluation for new workplaces be developed to assure incorporation of adequate industrial hygiene engineering.
4. The Subdivision Bureau has the following recommendations;
- Allow the local governments that can meet Department staffing standards total review responsibility for review of small rural subdivisions.
 - Increase the Subdivision Bureau staff so that they can spend more time in the field training of local government officials.

5. Recommendations from the Water Quality Bureau are as follows:

-- The passage of the Culver Amendment by Congress has authorized funds for a Rural Clean Water Cost-Share Program to correct agriculture related water quality problems. Financial assistance through the program to implement best management practices is to be tied to state and federal approvals of the 208 Water Quality Management Plans. The Governor's Office should review the plans with this important implementation consideration in mind.

-- Other funding sources, such as the Renewable Resources Act, which could be used to encourage the use of best management practices, should be evaluated by the Governor's Office as a secondary funding source for cost-share assistance to landowners.

-- Provide additional needed manpower and funding resources so the state can assist local conservation districts in solving agriculture related water quality problems.

-- Provide additional staffing in construction grants to assume substantial delegation of construction grants program and, therefore, federal funding of approximately \$400,000 per year. Delegation will reduce duplication and reduce delays to cities in administering waste treatment construction grants.

-- Initiate a groundwater pollution control program.

WATER AND WASTEWATER OPERATORS LICENSING PROGRAM . . . Disbursements \$12,119

PROGRAM DESCRIPTION: The Water and Wastewater Program is responsible for enforcing the licensing of water and wastewater operators and providing training programs to upgrade operator skills.

PROGRAM BENEFITS:

1. Training programs, lasting from one day to 12 weeks, were provided in cooperation with the water and wastewater programs around the state. Approximately 200 water and wastewater facility operators received training through these programs.

2. Professional qualification is provided through licensing and testing procedures, for which there are 937 licensed operators in the state.

HEALTH SERVICES PROGRAM Disbursements \$6,808,185

PROGRAM DESCRIPTION: The Health Services Program provides preventive, therapeutic, and consultative services to mothers, infants, children, the chronically ill, and the aging. The overall Program's goal is to protect and improve the health of all the people of Montana through positively influencing the provision of community health services.

PROGRAM BENEFITS:

1. The Handicapped Children's Program continued to provide a broad range of medical services and case management to children having chronically handicapping conditions. Newborn infants in need of specialized intensive

care were transported to major medical centers for treatment. This Program, in coordination with the Developmental Disabilities Division of the Department of Social and Rehabilitation Services, continues to be the only one of its kind dealing directly with a multidisciplinary approach for the delivery of treatment services to children. This Program is aimed at insuring the provision of medical and evaluation services to children in need.

2. The following programs provided primarily preventive services to women, infants and children:

-- Family planning services, health care referrals, and community education efforts were provided to assist women in family planning and to ultimately reduce the incidence of premature births and birth defects and to increase preventive health measures. These services were provided out of fifteen locations in Montana and were readily available and accessible to all persons in Montana.

-- Maternal and Child Health Projects provided health services to high risk women, infants, and children through health screenings, consultation, education, treatment, and followup services.

-- The Nutrition Program interfaces with overall activities of Health Services and provided services to pregnant women, women of childbearing age, and infants and children in high risk groups. Training and consultation workshops were provided to public health professionals to assist them in dealing with the nutritional problems of the target population.

-- Dental Health provided services to children in Montana school systems through the School Preventive Program. 53,650 children received the benefits of a brushing demonstration and dental health education program. The Flathead Dental Project continues to show success, in that the number of children in need of emergency care has decreased significantly over a three-year period. The Anaconda Fluoride Mouth Rinse Program has demonstrated a definite improvement of the dental health status of the Anaconda children.

-- The Nursing Program supervised the activities of the community and school nursing personnel as well as providing educational opportunities to community nurses.

-- The Chronic Disease Program provided services to protect the adult population from health losses because of chronic disease and the process of aging. The primary focus is prevention, detection, and education in diabetes, nutrition, hypertension, and cancer. Much of this Program is accomplished with the cooperation and assistance of local health departments, senior citizen organizations, extension services, volunteer health organizations, hospitals, and hospital auxiliaries.

NUMBER OF PERSONS BENEFITED

- | | |
|---|-----|
| 1. Handicapped Children | |
| a. Number of handicapped children served | 645 |
| b. Number of surgeries for handicapped children | 303 |

DEPARTMENT OF HEALTH AND ENVIRONMENTAL SCIENCES

c.	Number of hospitalizations for handicapped children	325
d.	Number of transports of newborns	55
2.	Early Detection and Treatment	
a.	Number of children served	16,881
b.	Number of children screened for inborn errors	14,241
c.	Number of women served	994
3.	Family Planning	
a.	Number of women in need	50,514
b.	Number of women in need served	17,566
c.	Number of Pap smears (encounters)	6,613
d.	Number of VD tests (encounters)	11,624
4.	Nutrition	
a.	Monthly average number receiving supplemental foods	8,970
b.	Monthly average number participating in nutrition education	3,823
c.	Monthly average number referred for health care	4,313
d.	Monthly average number of children receiving nutritious meals in child caring facilities	2,000
e.	Monthly average number of high risk women, infants, and children receiving comprehensive nutrition services	4,225
5.	Dental Health	
a.	Number of children receiving dental care assistance and dental prevention training	53,650
b.	Percent of children served by severity of teeth and gum condition	81% - Class III 16% - Class II 3% - Class I
6.	Chronic Diseases	
a.	Number of participants in diabetes seminars	85
b.	Number of participants in hypertension seminars	45
c.	Number of participants in cancer education	17
d.	Number screened for high blood pressure and diabetes	19,167
7.	Nursing	
a.	Number of community nurses served	250
b.	Number of hours consultation per nurse	3
c.	Number of home health agencies added	2
d.	Percent of state covered by home health agencies	66.9%

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Agencies responsible for the provision of services to handicapped children should coordinate all their resources in an effort to provide each child the best possible care. A multidisciplinary approach to treatment and coordination of activities and funds of all agencies involved would ultimately result in the lowering of the cost of health care, reducing duplication and fragmentation of services, and increasing the quality of care provided to the handicapped child.

2. Regionalization of prenatal care is urgently needed if we are to reduce Montana's excessively high infant mortality rates. The number of prenatal clinics for high risk pregnant women needs to be increased considerably if we are to make an impact on mortality and morbidity of young children (including incidence of mental retardation).

WATER POLLUTION CONTROL PROGRAM Disbursements \$17,640

PROGRAM DESCRIPTION: The Water Pollution Control Program is responsible for assisting cities through provision of construction grants to attain the highest level of sewage treatment. The Program was terminated June 30, 1978.

DEPARTMENT OF HIGHWAYS

AGENCY DESCRIPTION:

The Department of Highways is responsible for the planning, layout, construction, reconstruction, improvement and maintenance of state highways. It is also responsible for social and environmental impacts relating to state highways. It embraces responsibility as well for the enforcement of Gross Vehicle Weight regulations. Additionally, through the Travel Promotion Unit, the scenic values of the state are publicized and advertised in a yeararound effort to attract visitors to the state.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

On February 1, 1978, an approval for our Affirmative Action Plan was received and disseminated throughout the Department. This plan was originally developed April 12, 1977.

During July, 1978, an addendum to this plan was made to more specifically address the handicapped. This was necessary to comply with Section 504 of the Rehabilitation Act of 1973.

The Department has continued its supportive services contract with the Montana Contractors Association during 1978 as well as the Minority Business Enterprise program to encourage minority firms to do business with the state.

In addition to the above functions, the Department is developing a training contract with the Montana United Indian Alliance. This contract is designed to seek, train, and place minority persons in the heavy highway industry.

The Interdepartmental Coordinating Committee for Women has been introduced to all Helena headquarter females. Scheduling is being arranged for face-to-face meetings with all female employees throughout the Department.

CONSTRUCTION PROGRAM Disbursements \$100,679,959

PROGRAM DESCRIPTION: The Construction Program is responsible for assuring that roads and bridges are constructed or reconstructed to accommodate the growing needs of state motorists. This Program supervises highway construction from project award through completion and approval of the project.

PROGRAM BENEFITS:

1. Construction Program expenditures during the 1978 fiscal year were \$100,679,959. Of this total amount, \$84,453,052 was in the form of payments to contractors for highway construction, resulting in high employment in this industry.
2. During the 1978 fiscal year, 97 contracts worth \$68,966,408 were let and 110 contracts were completed, leaving 118 contracts presently in force to begin the fiscal year with a value of \$158,456,920.

DEPARTMENT OF HIGHWAYS

The awards were made as follows:

	<u>No. of Projects</u>	<u>Bid Amount</u>	<u>Miles</u>
Interstate	15	\$29,021,536	72
Primary	25	25,714,691	159
Secondary	10	9,688,576	82
Other	<u>47</u>	<u>4,541,605</u>	<u>2</u>
TOTAL	<u>97</u>	<u>68,966,408</u>	<u>315</u>

The largest award dollar amount for any one month was in August, 1977, which amounted to \$15,836,825. The largest single contract let during the fiscal year occurred in April and it was for paving on Interstate 90 in Mineral County. The amount of the awarded contract was \$7,478,434.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is vital to Montana's highway systems that Congress appropriate sufficient funds in order that Montana complete the interstate system as soon as possible and bring its primary, secondary, and urban highway systems to a reasonable standard.
2. The Department recommends that special federal legislation be enacted which would provide special federal monies for road construction in coal impact areas.

MOTOR POOL PROGRAM Disbursements \$566,983

PROGRAM DESCRIPTION: The Motor Pool Program was established to provide for the operation of a fleet of vehicles to be available to all state officials and employees in the Helena area for the conduct of official business.

PROGRAM BENEFITS:

1. Reduced the intermediate passenger fleet to 8 units, which will be phased out within six months, and increased the number of compact vehicles which will boost miles-per-gallon for the whole fleet.
2. Continued with special dual rental rate agreements with various departments in an effort to determine a more equitable rate structure.
3. Replaced older and larger type vehicles and other truck units with new economy-type models, thus reducing the amount spent on fuel and repairs for these classes of vehicles.

EQUIPMENT DIVISION PROGRAM Disbursements \$7,358,201

PROGRAM DESCRIPTION: The Equipment Division Program is responsible for the purchasing and maintenance of a fleet of equipment and vehicles for use within the Department of Highways. The primary objective is to provide replacement equipment, and maintain and repair existing equipment in a cost effective manner.

PROGRAM BENEFITS:

1. 15,945,496 vehicle miles were driven which amounted to an increase of 448,343 miles. Also, hourly equipment usage increased 122,233 hours to a total of 660,839 hours. These increases were generally due to the severe winter and additional land mileage maintained.
2. The purchase of three portable asphalt mixing plants made it possible to conserve petroleum products and at the same time provide better road maintenance repair.
3. Statewide shop equipment maintenance has improved and the Program is working toward a goal of better training and service in order to reduce equipment down time and repair costs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Additional funds should be made available to the Equipment Division for capital expenditures required by O.S.H.A., Workers' Compensation and Highway Safety for correction of deficiencies on older equipment.
2. More extensive training programs should be implemented concerning the proper care and use of equipment.
3. Steps should be taken to persuade the legislature that capital expenditures should not be interrupted by laws and regulations which prevent the encumbering of funds from one fiscal year to the next.
4. Increased amounts to purchase new equipment would increase the effectiveness of the fleet and help reduce down time and maintenance cost on old equipment.

MAINTENANCE PROGRAM Disbursements \$23,167,810

PROGRAM DESCRIPTION: The Maintenance Program is charged with the responsibility of preserving and restoring all highways and their appurtenances within the right-of-way of interstate, primary, and statemaintained secondary highways in Montana. The Maintenance Division functions to maximize the safety of persons traveling in the state, enhances the convenience of the public while moving about the state, and preserves the rideability of the highway system within the expected useful life of the road surfaces.

PROGRAM BENEFITS: The maintenance of highways, performed expeditiously, lengthens the life of the highways, protects the state's capital investment, increases safety for all highway users, and reduces the cost of vehicle operation on Montana's highways. The Maintenance Division performs routine maintenance on 20,665 lane miles of roadway, 64 rest areas, 645 buildings, 118 road oil storage facilities, 140,000 acres of right-of-way, 600 litter barrels, 2,610 lighting units, 5,550 miles of fence, 75,000 signs, 294 signals, 1,000 miles of guard rail, 2,100 structures, 20,665 lane miles of delineation, and 220,000 square feet of pavement markings. In addition, work was performed as follows:

1. Provided special road patching on 120 miles of roadway.
2. Placed asphalt aggregate overlay on 116 miles of roads.
3. Seal coated 209 miles of roadway.
4. Rejuvenated 159 miles of asphaltic binder.
5. Provided special repair on ten bridges.
6. Constructed 36 safety improvements.
7. Provided traffic services on 20,665 lane miles of roadway.
8. Maintained roads during one of the most severe winters on record.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The pavement structure of highways constructed in Montana are designed for a certain life (20 years flexible, 39 years rigid). During this period, preventive maintenance is required at regular intervals. From the date a new flexible pavement is placed, future activities must be planned for its preservation. At the 7 year point, a seal coat should be placed; at 13 years an overlay is required. This work does not qualify for any federal aid. Stereotype refurbishing must be continued throughout the life of the project. Unfortunately, the Maintenance Program has never been funded for these accomplishments. Too often an attempt is made to restore a pavement surface only when it is in distress. The mileage records for new construction projects indicates roads will not be rebuilt and meet standards for nearly a half century. On the primary system alone, 2,500 miles of highway, out of a total of 5,500 miles, are deficient. At this rate, preservation efforts by the Maintenance Program will have to be intensified. The tremendous amount of output needed would require a large increase in material purchases, manpower, and equipment procurement.

In view of the large expenditure needs for a preventative maintenance program, as an alternate, we recommend that funds be provided for a preventative maintenance and surface restoration study. During the interim, the additional funding sought will be used to increase gravel stockpile quantities, seal coats, overlays and recycling on those roads most severely distressed and which are not programmed for reconstruction in the near future.

A preventative maintenance program will reduce expenditures on pot hole patching, special maintenance, and betterments and will have a much greater cost benefit in reconstruction, energy consumption, and vehicle damage. Maintenance forces would be able to expand activities which would improve traffic services such as signing, signalling, striping, pavement marking, and roadside accessories.

GENERAL OPERATIONS PROGRAM Disbursements \$5,929,440

PROGRAM DESCRIPTION: The General Operations Program is responsible for the overall administrative activities and related service functions which are essential to and supportive of the other programs in the Department, including enforcement of G.V.W. regulations.

PROGRAM BENEFITS:

1. G.V.W. Division converted five scales to electronic readout instruments at key locations in order to handle truck traffic in a more efficient manner.

2. The G.V.W. Division implemented Public Service Commission enforcement duties relating to operating authority and vehicle/driver safety. 7,365 vehicles were inspected for Public Service Commission regulations and 1,176 Notices to Appear were issued which resulted in \$58,385 in fines and forfeitures. Also implemented was a livestock movement reporting system in cooperation with the Department of Livestock.
3. Forty-nine special assignments were conducted during the year in areas where no permanent weigh stations are located.
4. Approximately one million vehicles were inspected or weighed for compliance with registration, size and weight, and P.S.C. laws at fixed weigh stations.
5. The Statewide Transportation Planning Process is being more precisely defined with greater effort being made to address the socio-economic and environmental aspects of highway projects. Planning for highway needs in the coal impact areas is also being addressed in more detail in order to support requests for extraordinary federal funds.
6. Reference markers have been completed and updated on all Federal-Aid Primary Routes. In addition, approximately 1,578 miles of pavement markers have been placed on more heavily traveled secondary routes.
7. Data from field inventories, railroad officials, and other sources have been assembled into a manual in order to conform with the National Railroad-Highway Crossing Inventory Update Manual Procedures.
8. A consultant was engaged to review the stores inventory system. Significant progress was noted in their establishing new methods of reporting transactions from the field areas to headquarters. Through use of mini computers we hope to cut personnel costs and increase management reports involving payroll, equipment rental, and stores inventory system.
9. Studies were initiated involving the establishment of a word processing system for all Helena headquarters offices. Through this system the Program plans to utilize high speed electric memory type machines to produce all of our typing requirements. A substantial number of present typing personnel will not be needed once the system is operational.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. More organized coordination efforts must be obtained between various state planning agencies.
2. A weigh station should be constructed in the DeBorgia area for increased enforcement.
3. More portable weigh station sites should be constructed throughout the state in an effort to increase enforcement.

DEPARTMENT OF HIGHWAYS

PRECONSTRUCTION PROGRAM Disbursements \$10,157,069

PROGRAM DESCRIPTION: The Preconstruction Program is responsible for the planning stages of highway development, including determining location and design, public hearings, right-of-way acquisition, and final processing of the highway project for contract award.

PROGRAM BENEFITS:

1. Plans for 1,200 miles of new and reconstructed highways are on the drawing boards in various stages of location and design.
2. Safety rest areas are being reviewed for possible renovation and upgrading for use by the handicapped.
3. An anthropologist was employed in order to handle the interests in relics.
4. Several erosion control projects are under design. Five of our divisions let contracts to refertilize roadsides and to reclaim borrow areas.
5. Design or location reviews are in various stages of completion for minor drainage and irrigation facilities on approximately 900 miles of highway.
6. Hydraulic studies for approximately 40 major drainage crossings are in various stages of completion. Design or reviews of storm drainage and water line relocation for about 50 urban projects are in various stages of completion.
7. Thirty-nine surfacing designs were prepared.
8. A total of 39.5 miles of topographic mapping and 77 miles of cross-sections from aerial photographs were completed.
9. Thirty-one public hearings on future roadway construction were conducted.
10. A pilot project using value engineering was undertaken - a systematic structured technique for identifying functional highway elements and alternatives, their costs, and their worths.
11. The Right-of-Way Bureau acquired the following property during the fiscal year:

<u>System</u>	<u>No. of Parcels</u>	<u>Acres</u>	<u>Cost of Right of Way Including Improvements</u>
Interstate	65	817	\$1,221,854
Primary	220	379	1,117,668
Secondary	73	315	307,072
Urban	45	7	839,395
Other	9	29	58,669
TOTAL	<u>412</u>	<u>1,547</u>	<u>\$3,544,658</u>

12. The Utilities Section completed a total of 96 agreements for the relocation or adjustment of utility and railroad facilities.

13. The Right-of-Way Bureau continued activities designed to control advertising signs along the state's interstate and primary systems, issued 333 permits for new signs, and renewed permits for 148 signs. Negotiations were conducted with 14 major billboard companies for the purchase and removal of 376 nonconforming billboard signs. 66 signs and other encroaching devices were removed from highway right-of-way.

14. Relocation assistance was provided to 25 individuals or families, 2 farms, and 8 business concerns which were to be displaced by highway construction.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Red tape and excessive paperwork must be reduced in order to increase productivity.

TRAVEL PROMOTION PROGRAM Disbursements \$635,972

PROGRAM DESCRIPTION: The Travel Promotion Program is responsible for publicizing Montana as a vacation destination state, with the goal of increasing visits from out-of-state travelers to Montana.

PROGRAM BENEFITS: The Travel Promotion Unit reports continued success in its efforts to attract visitors to Montana.

Primary activity of the Unit is national advertising in newspapers and magazines and sending printed material in response to inquiries from those ads. Each year a conversion study is done by the Unit to determine which ads are most effective and what percentage of people who request information actually come to the state. Latest conversion study figures for spring-summer advertising show a conversion rate of approximately 35% while winter advertising results in an average of 21% conversion. It has been determined that those who receive travel promotion literature stay an average of 8 days, while the casual vacation traveler stays approximately 3.5 days. Constant contact is maintained with travel industry leaders throughout the state to determine their promotional needs and to assist them in every way possible.

Other activities of the Unit include:

a. Publicity Division: Two news releases per month are prepared and sent to a mailing list of over 400 newspapers and magazines throughout the nation. When feasible, the stories are accompanied by photos taken by the Department's full-time photographer. In addition, general vacation press kits are prepared and distributed to the same publications in spring and winter.

b. Tour Division: Excellent success continued in making retail travel agents, wholesalers, and brokers throughout the nation aware of the opportunities for "packaging" Montana.

c. Film Location Division: Activities continue in this Division to encourage Hollywood and TV production companies to consider Montana in their plans. Considerable time and effort has been expended on securing

portions of CENTENNIAL. We have entered into the scene just recently with large budgets and full-time staff. We continue the part-time services of a representative in Hollywood which proves to be our most valuable contact.

d. Miscellaneous: Production was completed on a 16mm 29-minute film on Montana's winter industry . . . skiing and snowmobiling. Premiere plans are scheduled in four major cities in Canada in October, 1978, in cooperation with the United States Travel Service. Cooperative marketing efforts continue with the Old West Trail Foundation and the Pacific Northwest Travel Association. The Unit instigated a test program for the summer of 1978 in cooperation with Montana Travel Hosts whereby travel information is given on CB Channel 5 in six locations. If successful, the plan will continue.

We continue to receive industry recognition on a national level. Montana was selected for study by the Council of State Governments to determine the mechanics of the most successful travel promotions in the nation. Study was funded by the United States Travel Service.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Secure nonprofit status in the eyes of the U.S. Postal Service to relieve the ever increasing burden of postage costs.
2. Obtain increased funding to keep pace with inflationary pressures of postage, printing, and paper.

DEPARTMENT DESCRIPTION:

The purpose of the Department of Institutions is provided in Section 80-1401, R.C.M. 1947, as amended. This section states: "The Department of Institutions shall utilize at maximum efficiency the resources of state government in a coordinated effort to restore the physically or mentally disabled, to rehabilitate the violators of laws, to sustain the vigor and dignity of the aged, to provide for children in need of temporary protection or correctional counseling, to train children of limited mental capacity to their best potential, to rededicate the resources of the state to the productive independence of its now dependent citizens, and to coordinate and apply the principles of modern institutional administration to the institutions of the state."

In carrying out this purpose, the Department seeks to provide care and treatment services of quality that will guarantee the rights of residents, comply with state and federal standards, and when possible return residents of the institutions to a normal life in the community. The objectives are to improve the coordination of services provided by institutions and related community service programs, to improve the administration of all institutions through the development of new management techniques, and to make management information readily available to the institutions.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During Fiscal Year 1978 the Department initiated a series of workshops to make every employee aware of the Affirmative Action Plan and its purpose. The plan provides for equal opportunity to applicants and employees regardless of race, creed, sex, age, or physical handicap. The Department's Personnel Section will continue the implementation of the plan to insure that there is no discrimination in the recruitment of employees or in employee relations.

BOARD OF PARDONS

AGENCY DESCRIPTION:

There was created in 1955 a Board of Pardons. This Board consists of three members who shall be appointed by the Governor with the advice and consent of the Senate. The Board is responsible for executive clemency and parole and shall endeavor to secure the effective application and improvement of that system and the laws upon which it is based.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Employees are hired without regard to sex, marital status, age, physical or mental handicap, race, creed, color or national origin, or an intent to make the limitation unless based upon a bona fide occupational qualification.

ADMINISTRATION PROGRAM Disbursements \$72,203

PROGRAM BENEFITS:

1. From the purely fiscal perspective, an offender paroled costs the state approximately \$300 a year to supervise, while imprisonment per inmate

is over \$10,000 a year. It is generally felt that individuals are capable of reforming. The Parole Board serves the state by deciding when this process has taken place. The function of the Board is to parole, furlough, or recommend executive clemency if, in their opinion, the offender no longer poses a threat to the community and stands a good chance of not returning to prison.

2. Over Fiscal Year 1978 the Board has attempted to dispel the image of a clandestine agency making decisions harmful to the public by inviting the press into their sessions and seeking input on decisions from other criminal justice agencies. These efforts have been rewarded by the Board appearing on statewide television, feature articles being written on the Board by major Montana newspapers, and a substantial increase of input from criminal justice agencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The biggest single problem the Board faces is lack of coordination with other correctional agencies. It would profit every part of the system if an outside expert could be brought in to advise on how to streamline the whole operation, especially in the area of records management. The saving of man hours which are not wasted on useless duplication would be considerable.

2. The staff of the Board presently handles more than twice the case load with less staff than it did three years ago. A position was taken from the Board and replaced by a P.S.E. slot which will terminate February 1, 1979. The Board desperately needs this clerk stenographer position made permanent and funded by the state.

BOULDER RIVER SCHOOL AND HOSPITAL

AGENCY DESCRIPTION:

Boulder River School and Hospital is the only full-range institution in the state for the care, treatment, and training of mentally retarded persons. The purpose of the Institution is to secure the treatment and habilitation as will be suited to the needs of the individual, and to assure that such treatment and habilitation are skillfully and humanely administered with full respect for the person's dignity and personal integrity in the least restrictive environment possible. Admission procedures as well as basic guidelines for care, treatment, and training of the residents were established by the 1975 Legislature (Sections 38-1201 through 38-1225, R.C.M. 1947). Additional compliance with state and federal regulations is a continuing goal.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT.

Boulder River School and Hospital ensures that equal employment opportunities are provided to both on and off grounds applicants as outlined by bargaining unit contracts and state employment regulations. New applicants and employees are judged on merit alone, and not by sex, race, handicap or religion, as outlined in the Department of Institutions 1977 Affirmative Action Plan.

ADMINISTRATION PROGRAM Disbursements \$741,137

PROGRAM DESCRIPTION: The Administration Program, consisting of the Superintendent's Office, Administrative Services, and Fiscal Services, has the responsibility for direction, services, and accountability for the operation of the Institution. The Program provides support services in the areas of Fiscal, Personnel, Purchasing/Warehouse, Inservice Training, Clerical, and other administrative functions of the Institution.

PROGRAM BENEFITS:

1. The Superintendent's Office maintained contact with necessary agencies and organizations, heard grievances, and provided counsel and direction to staff.
2. Administrative Services recruits and hires for existing vacant positions, and during 1978 there was a position turnover of 71.1%. Information is researched, stored, and disseminated as requested, and participation in the Individualized Data Base Project was maintained. Over 2,000 visitors were provided tours of the Institution, and over 100 hours were spent trying to locate housing for newly hired employees. Staff Development conducts pretraining classes for newly hired employees; the Boulder Training Model train staff in the system of resident assessment, teaching, and behavior management; the Habilitation Aide (HA) II Upgrade Class was held for HA I's and the Shift Supervisor (HA III) Upgrade class was held for HA II's. In addition, a sewing class was presented for laundry workers in the cottages, a first aid class on airway obstruction was presented for all staff, a special Gentle Self-Defense class was offered to nondirect care staff, and a Water Safety Class was held for Recreation Aides. Over 25,000 articles were mailed, and 370 packages were delivered to individual residents. The Switchboard provided 7-day telephone service to both staff and residents, and printing services were provided to staff and residents.
3. Fiscal Services is responsible for all funds received or spent by the Institution. Accounting handles all claims for payment and maintains budgetary information for all departments. Purchasing and Warehouse handle all orders and receivables, plus maintain inventory control on SIMS. Payroll handled all timekeeping and other pertinent information for employees. Reimbursement billed Medicaid/Medicare or private insurance to obtain reimbursement for the state General Fund in the amount of \$4,878,363. Resident Accounts handled cash and issued canteen cards for all residents. Data Processing provides feedback to all areas regarding resident training; i.e., hours of training, steps completed, trainer, etc., to the cottages, Cottage Supervisors, and other departments on a weekly basis.
4. The Joint Commission on Accreditation of Hospitals conducted a survey at the Institution which rated us 72.6% in compliance with their standards. State Board of Health licensure was approved for 316 beds for Intermediate Care A, and 23 beds Acute Care. Union contracts were successfully negotiated. Organizational changes were made to better reflect service areas. Medical Peer Review was held. Community relations were improved

despite some adverse publicity. The Parents Advisory Council remained active with three meetings held. DD Planning and Advisory Council and Easter Seal Advisory Council memberships were maintained. The Board of Visitors conducted two on-site visits and made recommendations for improvement. The Resident Advocacy Program, directed by Rocky Mountain Development Council, assisted some of our residents, as did the Foster Grandparent Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Boulder River School and Hospital should work towards full JCAH certification to provide the best possible care for the residents. State Board of Health licensure requirements should be met to maximize reimbursement by Medicaid/Medicare or private insurance to the state General Fund. All efforts should be made to stay in compliance with state and federal regulations. The Institution should strive to maintain good relationships with the unions and the community through open communication. Professional contacts should be maintained to keep abreast of changes in the field. An exit interview process should be initiated to detail reasons why employees leave employment at BRS&H and appropriate action taken. A plan should be implemented to control unemployment costs, supervisory personnel should be provided consolidated personnel policies and procedures, present job descriptions and evaluation systems should be reevaluated, and an affirmative action program should be initiated. The last four recommendations would provide supervisors and employees the information that would let them know exactly what is expected of them. The number of recommendations implemented depends directly on the turnover rate, since the priority will remain to fill vacant positions. Continuous inservice training should be provided to all employees, but because of staff and budget limitations this currently is not possible. Two additional staff instructors and an increase in budget for supplies and equipment would be necessary. Additional clerical positions are necessary to effectively meet the demands placed on the Institution through state and federal regulations.

CARE AND CUSTODY PROGRAM Disbursements \$6,793,922

PROGRAM DESCRIPTION: The Care and Custody Program includes the Habilitation Department, Resident Support Department, Health and Medical Services Department, and Cottage and Hospital Health Services Department. The Care and Custody Program is responsible for the total care of residents at all times. It includes residential living supervision, providing direct services to meet the basic needs of shelter, clothing, health care, food and provision of the comprehensive continuum for each resident.

PROGRAM BENEFITS: The Habilitation Department, despite high turnover, has improved the care, treatment and training provided to residents. Placement of residents into community facilities has slowed, and the transfer of individuals from Galen and Warm Springs State Hospitals has resulted in a larger number of residents assigned to the cottages than in Fiscal Year 1977, and has necessitated crowding of some of the living areas. Training has increased as well as the number of staff participating in the training effort. Management and accountability have improved within the department. Each cottage is evaluated quarterly regarding specified expectations, and any deficiencies noted are transformed into objectives for completion. A reassessment of the development and monitoring of the Individual

Habilitation Planning System has been completed, with modifications scheduled for implementation during Fiscal Year 1979 to improve efficiency and usefulness.

The Resident Support Department includes Food Services, Laundry, Sewing Room, Shoe Repair/Upholstery, Variety Shop, Barber/Beauty Shops, Word Processing Center, Plant Maintenance, and the Canteen. Three nutritional meals were provided daily for residents and staff. Adequate, clean, and attractive linens are provided for cottages and the hospital. Linen and residents' clothing were mended, draperies were provided, and sewing machines were repaired. Shoe repair and upholstery services were provided. The Variety Shop received donations and dispensed appropriate items to the residents. The Barber/Beauty Shops provided attractive, well-groomed hair styles, and training in proper hair care to both residents and staff. The Maintenance Section maintained the Institution in the best possible condition with available resources. Routine building maintenance checks were initiated. Special items were built to enhance the residents' environment, and to support the program effort of the facility. The Word Processing Center provided typing services.

The Health and Medical Department contains Medical Consultants, Dietitian, Dental, Medical Records, Occupational Therapy, Physical Therapy, Adaptive Equipment, Pharmacy, Laboratory, X-Ray, and Cottage and Hospital Health Services. Medical Consultants continued to provide services in their respective specialties not otherwise available to the residents. The Dietitian provided a four cycle (3 months each) menu for residents and staff, plus special diet menus to assure correct foods and amounts are served to residents on restricted and calculated diets. The Dental Department provided oral hygiene examinations to each resident twice during the year. Inservice dental training was provided to new and upgraded classes of employees. Medical Records maintained files and provided requested information as authorized. Irreducible or progressive disabilities are prevented, as far as possible, by Occupational Therapy through orthotics, adaptive devices, positioning, and sensori-motor experience. Treatment and training were provided to preserve and improve abilities for independent functions such as range of motion, eye-hand coordination, sensori-motor development, and integrations. Seventy residents received over 7,600 treatments and 159 residents were evaluated. Monthly consultative services to all cottage and support services were initiated. An ongoing weekly inservice program was developed and initiated for not only Occupational Therapy staff but others. Physical Therapy provided services to 70 to 80 residents daily in both individual and group programs, and orthopedic clinics were held regularly to assess residents' needs. Appropriate follow-up action was then taken. A physical rearrangement of the department has allowed more area for mat treatments and an area for individual sessions that are free from distractions. A tremendous increase in the amount of inservice training provided has resulted in a much better trained staff providing treatment to the residents. The Adaptive Equipment Department assisted both Occupational and Physical Therapy in providing or repairing special equipment for each resident who has a need. Five hundred prescription unit doses are dispensed daily by the pharmacy, and each prescription is reviewed by the physicians. If necessary, prescriptions are renewed at least every ninety days. There were 5,200 new prescriptions processed as well. The

laboratory is accredited by the State Department of Health, does the lab test as ordered by physicians, and participates in several testing and quality control programs. The Radiology Department processed 2,688 x-ray films in addition to flouroscopies, EKGs, EEGs, and clinical photos. Cottage and Hospital Health Services provided the majority of medical supplies and health care for the residents. Without their services, there would not be quality medical care provided. Operating Room, Central Supply, and Cast Room Inventory are now part of the SIMS inventory system, and all supplies and clinics are now billed by the ABARS computer system. Two nursing care audits, one on upper respiratory infections and one on pneumonitis, were completed. A total of 5,339 clinic visits by residents resulted in a lower hospital census since the illnesses were detected early and treatment was started which prevented the need for hospitalization.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Because of the wide range of functional ability and handicaps of the residents, a reassignment of residents to cottages based on functioning level should be considered. Because of the severe skill deficits most of the residents do not have the amount of attention and care they need. Therefore, the cottage populations should be reduced. Some of our residents (particularly many of those transferred from Warm Springs State Hospital and Galen) are placed in inappropriate living arrangements and should be moved to community facilities or appropriate facilities should be constructed at Boulder River School and Hospital. The vacation system should be addressed; currently employees must work for ten years before any additional benefits are earned. Trips for employees to visit other institutions and programs serving the developmentally disabled should be arranged and encouraged. Housekeeping in all cottages should be improved and additional staff and proper equipment provided. Changes should be encouraged in the current policy of payment for unused sick time. Reimbursement for unused sick leave at the time of retirement or termination should be increased to 100% to provide an incentive for staff to accumulate it rather than to use it. Supervision of the Institution from 4:00 p.m. to 8:00 a.m. daily, holidays, and on the weekends should be increased. Additional staffing should be provided for coverage for employee absences, more employee training, and where needed to improve services to the residents. Consistent services for the residents and the facility will be the benefit. A consistent safety program could be obtained by the addition of a Fire/Safety Officer position to administer the fire, safety, and security programs for the Institution. Four summer groundskeepers are needed to maintain the grounds in an attractive manner. Benefits derived would be that the grounds are properly maintained. An additional full-time physician is vital to the health and welfare of the residents. In order to provide better health services, additional LPN and RN positions are needed.

DEVELOPMENTAL PROGRAM Disbursements \$631,170

PROGRAM DESCRIPTION: The Developmental Program consists of the Communication Department (Speech), Audiology Department, Title I Section, Education Department, Psychology Department, and Recreation Department. Religious Services, Foster Grandparents, and Library Services are administratively attached to the Program; however, personnel involved are not employed by Boulder River School and Hospital. The Developmental Program provides training, teaching, therapy, and psychological services to

the residents of Boulder River School and Hospital. Its primary responsibility is to provide these services to the residents; its secondary responsibility is to develop techniques and methods for treating the problems associated with mental retardation.

PROGRAM BENEFITS: The Communication Department conducted 147 speech and language evaluations, and an average of 43 people per week received from 30 to 60 minutes therapy services daily. Through impedance testing and other available forms of assessment, the audiologist is able to assist in designing programs to make the best use of available hearing in hearing impaired persons.

The Title I Section provided services to 111 residents, or an average of 65 residents received an hour of training four days a week.

Educational evaluations were completed on 172 residents and an average of 100 residents received 6.25 hours of training per week.

One hundred forty 1:1 therapy sessions were conducted by Psychology, as well as 260 annual psychological evaluations.

An average of 140 residents received Recreation and Physical Education services per day.

Formal group religious services as well as individual counseling, teaching, and worship were provided by two protestant ministers and a Catholic priest.

Foster Grandparents are from the local community or bussed from Butte or Helena to work with the residents. Each Foster Grandparent works 4 hours per day, 5 days a week, with 2 residents. They are employed through the Rocky Mountain Development Council.

Library Services utilize the Montana State Library in Helena as its primary source, but interlibrary loans from other libraries around the state are available.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. A secretarial position assigned to the Developmental Director would reduce the director's clerical responsibilities, improve communication and telephone access, and would enable the administrative and supervisory responsibilities to be more effectively carried out.
2. The physical building environment in Cottage 6 needs improvement.
3. Additional transportation is needed so both ambulatory and nonambulatory residents' training is based on their needs and not on the limitations of transportation schedules.

DEPARTMENT OF INSTITUTIONS

COMMUNITY SERVICES PROGRAM Disbursements \$76,792

PROGRAM DESCRIPTION: The Social Services Section consists of a social work supervisor and four social workers. The goals of this section include facilitation of an orderly transition and adjustment of residents from Boulder River School and Hospital into community based facilities; transition of developmentally disabled residents from other Montana institutions to Boulder River School and Hospital; provision of information to families regarding their family member's progress and programs; and coordination of admission and preadmission services.

PROGRAM BENEFITS: Social workers participate in habilitation planning for all residents in the Institution. One hundred thirty-five referrals for community placement were sent to Social and Rehabilitation Services. Thirty-five residents were placed in the community. Of these, 32 were placed from BRS&H and 3 from Galen State Hospital. Forty-six residents were discharged from the two institutions: 43 from BRS&H 3 from Galen State Hospital. Of the 35 placements 26 were in group homes, 6 were in foster homes, 2 were in nursing homes, and 1 was in the natural home. Sixty-one residents were transferred to BRS&H from other Montana institutions; 34 from Warm Springs State Hospital, 27 from Galen State Hospital. Five individuals were admitted to BRS&H for evaluation and 3 were court committed to the Institution.

CANTEEN PROGRAM Disbursements \$25,435

PROGRAM DESCRIPTION: The Canteen provides a store-like atmosphere for residents and serves nonambulatory residents with a cart in their cottages.

PROGRAM BENEFITS: The residents have the opportunity to purchase treats at a reduced cost, and receive training on proper interaction in a store-like setting.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Hire an additional staff member to increase the hours of operation for the Canteen and services to the nonambulatory cottages. The benefit derived would be more service for the residents.

CENTER FOR THE AGED

AGENCY DESCRIPTION:

The Center for the Aged offers long term care to geriatric residents that are 60 years old or older, ambulatory, and transfers from Warm Springs State Hospital, or referrals from one of the Montana Mental Health Centers. The Center for the Aged provides care and treatment for mentally ill with full respect for dignity, integrity, and personal liberty, and care for residents in the least restrictive, yet appropriate, environment.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Employment policies with respect to advertising, recruiting, and hiring provide equal opportunity. Admission policies and facility services are developed with no discrimination for race, creed, color, or handicap.

ADMINISTRATION PROGRAM Disbursements \$216,898

PROGRAM DESCRIPTION: The Administration Program administers and controls budget and fiscal matters by planning, organizing, directing, coordinating, and evaluating all programs to provide effective and efficient management of the facility.

PROGRAM BENEFITS: This Program develops plans for coordinating and evaluating all facility functions relative to goals and gives the general public an economical and sound management of their tax money.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need for a resident physician to provide timely medical services on a more economical basis. There is also a need for a personnel manager to do payroll and handle the reporting requirements. A purchasing agent is needed to correct deficiencies in controls of purchasing, stocking, and inventory.

CARE AND CUSTODY PROGRAM Disbursements \$1,039,291

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for providing physical and mental care for patients and a comfortable, clean, and nutritious environment according to federal and state standards.

PROGRAM BENEFITS: This Program provided physical and emotional support to 199 patients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: A medical records technician is needed to assure proper and timely charting in patient records. A social worker is needed to expand patients social records and to develop community admission patients' history. A Psychiatric Nurse III is needed to help R.N.s in policies and staff development. More funding is needed in food service to expand special diets and refinish walls of the kitchen area for better sanitation. There should be changes upwards made in classifications in food service to get a more responsible and efficient operation.

DEVELOPMENTAL PROGRAM Disbursements \$48,024

PROGRAM DESCRIPTION: The purpose of the Developmental Program is to assist patients in their psychosocial needs and develop them to their maximum potential. This Program provides recreation activities and therapies to accomplish this potential.

PROGRAM BENEFITS: This Program provides maximum physical and emotional development for 199 patients with intent toward possible discharge.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: There is a need for funding for a Sensory Integrations program. There is a need for a therapeutic building complex for expansion of the therapeutic program.

COMMUNITY PROGRAM Disbursements \$12,130

PROGRAM DESCRIPTION: The Community Program plans and organizes community involvement with the facility and its residents.

PROGRAM BENEFITS: This Program assists in maintaining relationships with community services.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Resident family involvement should be increased through the use of a social worker. Also, there should be increased use of the community concerning the discharge potential of residents.

CENTRAL OFFICE

DIRECTOR'S OFFICE PROGRAM Disbursements \$303,718

PROGRAM DESCRIPTION: The Director's Office is responsible for the effective management and planning of the programs of the Department's four divisions - Alcohol and Drug Abuse Division, Corrections Division, Management Services Division, Mental Health and Residential Services Division - and their respective institutions, and for the administration of the Board of Pardons. In addition, the Director's Office provides direction in the organization and management of the Department to assure that all available resources are utilized to efficiently provide maximum services to the people of Montana.

PROGRAM BENEFITS: Specific accomplishments of the Program during the last year were the following:

1. Developed a physician compensation plan which will enable the institutions to recruit and retain licensed physicians.
2. Initiated a major reorganization of Warm Springs State Hospital. The reorganization plan was designed to provide more efficient utilization of staff and to improve overall patient care and treatment.
3. Provided leadership in implementing a staffing pattern analysis for direct care personnel at Warm Springs State Hospital. This staffing pattern analysis will also be implemented at Galen State Hospital, Boulder River School and Hospital, and the Center for the Aged.
4. Provided leadership and guidance for institutional industry activities, including oil and gas and timber leases on State Prison lands.
5. Assisted in the development of a cost for services funding mechanism for Community Mental Health Centers.
6. Completed the reorganization of the Department into four line divisions - Alcohol and Drug Abuse Division, Corrections Division, Management Services Division, and the Mental Health and Residential Services Division. The new organization structure was designed to improve the management and service delivery capability of the Department.
7. Hired an experienced administrator for the Corrections Division. The new administrator will address himself to the coordination and improvement of existing correctional programs and the development of a master plan for corrections.

8. Assisted in the recruitment and hiring of a new superintendent for Pine Hills School. The superintendent has initiated appropriate program changes to improve the care, education, treatment, and rehabilitation of the boys committed to the school.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Director's Office will continue to provide the leadership to properly and adequately serve the needs of our clients and to provide the resources needed to make sound management decisions. During the coming year efforts will be made to:

1. Improve the management of institutional industries.
2. Continue the refinement of the organization of the Department.
3. Improve the evaluation of programs to insure that resources are being utilized efficiently and programs are adequately achieving their purposes.
4. Develop an operations and procedures manual for the Department.
5. Assess the role and future of continued deinstitutionalization of clients of the Department.

ALCOHOL AND DRUG ABUSE PROGRAM Disbursements \$2,417,847

PROGRAM DESCRIPTION: It is the responsibility of the Alcohol and Drug Abuse Division, under delegated authority from the Director, Department of Institutions, to establish means whereby the appropriate resources of this state may be focused fully and effectively upon the problems of alcohol and drug dependence and utilized in implementing programs for the control and treatment of these programs.

Duties of the Alcohol and Drug Abuse Division include:

1. To plan, promote, and assist in the support of alcohol and drug dependence prevention, treatment, and control programs.
2. To conduct, sponsor, and support research, investigations, and studies, including evaluation of all phases of alcohol and drug dependence.
3. To assist the development of educational and training programs relative to alcohol and drug dependence, and carry on programs to assist the public and technical and professional groups in becoming fully informed about alcohol and drug dependence.
4. To promote, develop, and assist, financially and otherwise, alcohol and drug dependence programs administered by other state agencies, local government agencies, and private nonprofit organizations and agencies.
5. To encourage and promote effective use of facilities, resources, and funds in the planning and conduct of programs and activities for prevention, treatment, and control of alcohol and drug dependence and, in this respect, cooperate with and utilize to the maximum possible extent the resources and services of federal, state and local agencies.

PROGRAM BENEFITS:

1. House Bill 627, which was passed by the last legislature, increased the tax on alcoholic beverages for the purpose of generating funds for approved alcoholism treatment programs throughout the state. As a result of increased revenue from the tax, several new alcoholism programs have been established, including inpatient treatment facilities at Missoula General Hospital in Missoula, and Frances Mahon Deaconess Hospital and Chemical Dependency Center in Glasgow. Alcoholism services are now available in all 56 counties. During Fiscal Year 1978, 7,717 persons were admitted to statewide alcoholism treatment programs. In addition, alcohol programs served 630 family members. Montana's drug abuse treatment programs admitted 626 persons for drug related problems in Fiscal Year 1978.
2. Alcoholism and drug abuse services have been extended to residents of three state correctional facilities: Pine Hills School for Boys, Swan River Youth Forest Camp, and Montana State Prison. Each institution is now staffed with a full-time counselor who provides alcohol and drug abuse education, counseling, and therapy for residents of those institutions.
3. In April, 1978, the Montana Highway Patrol began enforcement of the provision regarding DWI court school attendance as a condition of entitlement to a restricted probationary license.
4. Following establishment of the Montana State Highway Safety Committee, a cooperative agreement was reached by the Department of Justice, Department of Community Affairs, and the Department of Institutions. Licensure regulation and driver improvement are processed by the Department of Justice, funding and data monitoring are furnished by the Department of Community Affairs, curriculum development and establishment of court schools within community alcoholism programs are accomplished by the Department of Institutions, Alcohol and Drug Abuse Division. Curriculum was developed and implemented in 22 court schools throughout the state. Since implementation of the DWI court schools, 1,871 individuals have been enrolled in the court school program.
5. The Alcohol and Drug Abuse Division continues to administer the Employee Assistance Program for troubled state employees. The program offers counseling and referral services to state employees. One of the primary objectives of the Employee Assistance Program is to disseminate information about the program by providing training and education to directors of state agencies about alcohol and drug related problems. During Fiscal Year 1978, the Employee Assistance Program provided services to 93 persons.
6. The Director of the Department of Institutions, in cooperation with the Alcohol and Drug Abuse Division, organized a Statewide Task Force on Women and Substance Abuse for the purpose of establishing statewide policies regarding women alcohol and drug abusers. In establishing this action the Alcohol and Drug Abuse Division is taking an initial step in identifying and resolving the problems of substance abuse facing Montana's women.
7. A computerized management information system was fully implemented in all state approved alcoholism programs in September, 1977. The new system

now allows the Division to verify the accuracy of client statistics reported by statewide alcohol treatment programs as well as providing socioeconomic and demographic information about the client treatment population.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Collection of third party payments for alcohol and drug abuse treatment services is a Division priority; however, until Montana's Insurance Code is amended it will be nearly impossible to collect reimbursements from major insurance groups. It is recommended that legislation to amend Montana's Insurance Code so that rehabilitative services would be reimbursable to the provider be presented to the 1979 Legislature.
2. The Division will attempt to receive a legislative mandate from the 1979 Legislature to gain authority to certify alcohol and drug counselors. Certification of counselors is important for obtaining third-party reimbursements from group health plans. In order to ensure adequate service delivery to persons seeking alcoholism or drug abuse services it is important to finalize and maintain a counselor certification system in which requirements are established regarding counselor education, training, and experience.

CORRECTIONS DIVISION ADMINISTRATION PROGRAMDisbursements \$114,745

PROGRAM DESCRIPTION: The Corrections Division derives its authority from delegation by the Director, Department of Institutions, as provided by Sections 82A-107(1)(G), (2)(b), and 82A-801.1, R.C.M. 1947, as amended. The Corrections Division Administrator exists to develop and administer an integrated corrections program for adults and youths with special emphasis on community supervision whenever possible while providing individualized treatment for each offender requiring institutionalization. For those incarcerated, adequate security must be maintained to protect the offender and prevent further transgressions against the public. The Program provides leadership, direction and support for both line and staff operations. It assists in developing a continuum of correctional programs which place the individual in the least restrictive setting that is consistent with good judgement.

PROGRAM BENEFITS:

1. The Program has provided management capability in the recruitment and hiring of qualified, full time administrator. This has resulted in modification of direction at Pine Hills School and changes in leadership at the school.
2. Leadership was given to the provision of 45-day evaluation services for boys at Mountain View School.
3. A grant was written and awarded to complete master planning for the Corrections Division.
4. Another grant was written and awarded for the evaluation of Pine Hills School by independent investigators. Said evaluation should be accomplished by October, 1978.

5. Additional advances were made in community based corrections, adult probation and parole training, and detention and shelter care.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Corrections Division should continue maximum effort at master planning through the completion date of the plan in March. The findings and recommendations of the master plan will provide the Division administrator a sound basis for the future management of Corrections in the state. It is further recommended that efforts and resources continue to be devoted to community corrections, female offender programs, staff training, and accreditation of programs or institutions.

2. During the next fiscal year it is felt that resources should be directed toward the areas of systematic program evaluation and offenders rights. The recommendations of the various subcomponents of the Division are supported.

BUREAU OF AFTERCARE PROGRAM Disbursements \$1,231,960

PROGRAM DESCRIPTION: The Department of Institutions is charged by Section 80-1411, R.C.M. 1947, as amended, to "establish standards of care, policies of admission, transfers, dishcharges and aftercare supervision in order to provide adequate care for children and adequate services to the court". The goal of the Aftercare Bureau of the Division of Corrections is to assist youth adjudicated as juvenile delinquents, and youth in need of supervision, to become well adjusted productive members of society. In order to achieve these objectives, the following specific programs are deemed essential:

1. Care and Custody: All Aftercare programs are community based and provide care and custody in a variety of areas. Initial attempts are most often made to place a youth in his own home or that of an extended family member. If this is an impossibility, a variety of other community placements are available, including foster care, group home care, independent living, sponsor and boarding homes, residential treatment centers, residential evaluation programs, and shelter care services.

2. Developmental Services: The Aftercare Counselor performs guidance and counseling functions relative to the supervision of juvenile offenders placed on parole or committed to the Department of Institutions.

3. Community Services: The emphasis of the Bureau of Aftercare is appropriately concentrated within the community. Community based alternatives to correctional institutions presently exist as viable, operational entities and the continued operation and development of these community based programs will insure that predispositional care, placement, treatment, and follow-up will be available in the most appropriate manner to all eligible youth.

4. Administrative Services: It is necessary that sufficient administrative and supportive services be available to effectively carry out the goals and objectives of this Program, including provision for staff training, staff development, and the effective evaluation of all programs and activities.

PROGRAM BENEFITS:

1. Evaluation and diagnostic workups for 44 youth (up 18%) in a community based, residential program in Great Falls were provided. This Program utilizes support services from the Community Mental Health Center, local medical personnel, and the Great Falls School District. An additional 167 evaluations were performed between Mountain View and Pine Hills Schools.
2. Aftercare services to 834 youth during the fiscal year were provided. These services included placement of youth in need of supervision who were assisted without ever having to be placed in institutional settings. 215 were receiving Aftercare services for the first time. During the fiscal year, \$4,520 was expended on Aftercare Revocation Hearings for those youth who did not waive their hearing rights. These hearings represented that the basic legal rights were afforded to youth on charges which may have resulted in a return of the youth to an institution.
3. Aftercare Group Home placements for 72 youth for 8,551 total youth days were provided. These homes provided community residential living situations utilizing community resources, (schools, local mental health clinics, etc.). The Aftercare Group Homes in Missoula, Helena, Great Falls, and Billings had a 74.37% occupancy rate during the fiscal year. The return rate to Pine Hills School and Mountain View School was 11.0% and 7.1%, respectively.
4. There were 553 Shelter Care enrollments during the year; the average length of stay being about 12 days. This represents a potential reduction of 553 youth held in jail. Shelter services were provided through 6 Attention Homes, 3 Receiving Homes, and 6 to 9 Emergency Foster Homes.
5. The training component of the Bureau of Aftercare provided in-service training for Aftercare counselors across the state. Training was delivered through orientation sessions, workshops, conferences, contracted services, and individual on-site training. Within the Aftercare Program, training events were also provided to administrative and other central office staff.
6. As a result of the successful solicitation of federal funds, the training effort has been again extended to two major areas outside the Aftercare Program itself - (1) Adult Probation and Parole, and (2) all group homes caring for troubled youth.
7. The training methods utilized for Adult Probation and Parole are similar to those mentioned above for Aftercare.
8. As a result of the attainment of federal L.E.A.A. funds, a major effort has been taking place to train staff of Aftercare Group Homes, District Youth Guidance Homes, Attention Homes, and Achievement Places. This is being accomplished by means of statewide and regional workshops, orientation sessions, and in-home consultation.
9. The Aftercare training component extends training opportunities to staff of the three juvenile institutions. For example, during Fiscal Year 1978, each staff member of Swan River Youth Forest Camp was provided with 42 hours of Interpersonal Skills and Inmate Management Training.

10. Perhaps the most significant contribution of the training effort during Fiscal Year 1978 has been the development of a Profiling System in Aftercare which is rapidly gaining popularity for use in other units of the Corrections Division. The System is not only designed to be helpful in working with offenders, but also inherently carries with it an accountability factor which should, in the future, contribute to a more concrete case of evaluating the effectiveness of the Aftercare Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is highly recommended that the Shelter Care program for providing nonsecure detention be funded from the General Fund for the next biennium. It is currently operating on subgrant funds from the Board of Crime Control.
2. An equally important recommendation is to support and implement legislative and administrative revisions to the Aftercare revocation procedures in order to clarify the procedures and make them more workable and applicable to youth in community supervision.
3. As was recommended in last year's report, it is recommended that the purchase of Aftercare group homes be allowed. This would result in greater program stability and long range savings to the state.
4. An important recommendation for program improvement is to initiate and strive to accomplish accreditation of Aftercare group home programs and field services using the recently promulgated American Correctional Association Standards.
5. The screening of 45-day evaluations of youth has reduced inappropriate referrals. In order to further improve the program of 45-day evaluations, it is recommended that statutory authority for the Department of Institutions to screen and place youth in evaluation facilities be clarified in the codes.
6. It is also recommended that programs for developmentally disabled youth (IQ range 70 to 80) who are also delinquent be developed and maintained in order to better meet the needs of this special population of youth. In a similar vein, there is a need to develop appropriate in-state placements for emotionally disturbed youth who are also involved in delinquency.
7. In order to fully implement the recently designed Prescriptive Programming System, it is necessary that training be provided in each of the identified areas in which counselors direct their efforts. Included are alcohol and drugs, family counseling, employment skills, school performance and attendance, work habits, leisure time activities, domestic skills, self-concept, and communication skills. Counselors should receive intense training in at least three of these areas during the next year.
8. It is recommended that the Prescriptive Programming Profile be fully computerized so that the data collected will assist in more fully evaluating the effectiveness of aftercare field services.

9. It is recommended that all juvenile institutions be provided training in the use of Prescriptive Programming and that such a Profile be completed before a youth's release from an institution. Such a training effort would require a minimum of 48 hours instruction for each clinical staff member.

10. It is recommended that a comprehensive orientation program be developed for all new employees of the Corrections Division. Such a program should serve to strengthen statewide service delivery and enhance the consistency of skilled delivery.

11. It is recommended that staff training formally become a division wide function. This would necessitate the identification of present staff members or possibly new staff members who become responsible for training in the bureaus and institutions. Such an effort would come under the direction and supervision of a unit supervisor.

COMMUNITY SERVICES BUREAU

BUREAU DESCRIPTION:

The Bureau of Community Services was established in 1976 in accordance with authority vested in the Director of the Department of Institutions as provided by Sections 82A-104(2)(b), 82A-107(1)(g), (2)(b) and 82A-801.1, R.C.M. 1947, as amended.

This Bureau is responsible for the development, support, and operation of Community Residential Corrections Centers, the Prison Furlough Program, and the care and custody of adult female felons. In addition, the Bureau performs 45-day evaluations for both sentenced and presentenced female felons as requested by district court judges.

The purpose of the Bureau of Community Services is to assist adult offenders, both male and female, to become well adjusted members of society and to provide for protection of the community.

ADMINISTRATION PROGRAM Disbursements \$66,401

PROGRAM DESCRIPTION: The Administration Program includes expenditures for the Community Services Bureau Chief as well as the entire Prison Furlough Program. This operation provides for supervision and direction of all programs and is the backbone of the Bureau.

PROGRAM BENEFITS: The Administration Program has provided direction and effective coordination of necessary development components which resulted in two Community Residential Correctional Centers being established; one for sentenced female felons in lieu of out-of-state incarceration and a coed post care facility. Additionally, Administration has provided overall direction and management leadership to the Centers as well as to the Prison Furlough Program, the 45-day evaluation of female offenders and coordination of out-of-state incarceration for female felons.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT.

1. It is recommended that the Bureau hire a full-time secretary due to expanded duties in conjunction with administration of the female offender

program duties associated with OBSCIS records and the enlarged Prison Furlough Program. Without support services the Bureau cannot operate efficiently. Program benefits expected to be derived from this position will include more efficient and accurate record keeping, reporting, and fiscal management. An evaluation component should be added to more accurately assess the impact and worthiness of community based programming at the adult level.

FEMALE OFFENDER PROGRAM Disbursements \$106,484

PROGRAM DESCRIPTION: Three components comprise the Female Offender Program; that of the Women's Life Skills Home in Billings, temporary care, custody and evaluation, and out-of-state incarceration.

The Life Skills Home in Billings provides community based minimum security custody for sentenced, nondangerous adult female felons. Care and custody is provided to a maximum of eight clients on a 24-hour a day basis. All women must either work or attend school. Included in Program services is board and room, provision for overnight visitation of children, health care, counseling, educational and job placement, and transportation and referral services to community agencies.

Missoula County Jail is utilized both as an in-state temporary incarceration site and as a holding facility where 45-day evaluations are performed.

Nevada has contracted for incarceration of Montana female prisoners. In the past year only three women have been incarcerated out of state; two due to behavior problems and one due to lack of bed space in Billings.

PROGRAM BENEFITS: As with the coed Life Skills Training Center Program, offenders who would normally be imprisoned are housed in a community based facility which provides for saved tax dollars. Incarceration of females in the community satisfied the problem of equal treatment of prisoners. Only the most difficult to manage must be sent out of state. The evaluation component provided judges with pertinent information to be used in the sentencing process as well as providing information to the Department of Institutions in proper placement of female offenders.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that bed space at the Women's Life Skills Home in Billings be expanded to a capacity of ten. More women are being sentenced than in previous years and they must now be sent out of state when Billings is at capacity.

PRISON FURLOUGH PROGRAM Disbursements Included In
Administration Program

PROGRAM DESCRIPTION: The Prison Furlough Program was established to allow selected prisoners to increase their responsibility to society and to procure treatment, education, and/or employment while serving their sentences. Convicted felons from Montana State Prison are released to the Department of Institutions, Community Services Bureau, by the Board of Pardons prior to receiving parole. It is a highly structured and carefully monitored program for specific inmates who have demonstrated responsibility while incarcerated within the prison. They are granted an opportunity to return to the community before their parole date.

PROGRAM BENEFITS: The Prison Furlough Program provides community based rehabilitation (and correction) by utilizing volunteers from the community to supervise convicted felons on a daily basis. This has provided a substantial savings to the state and has helped alleviate overcrowded conditions at Montana State Prison. No furloughee has committed any new crime while participating in this program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The most pressing need is legislation addresssing length of furlough supervision. There is also a very real need for formalized training programs for volunteer supervisors. The anticipated increase in furloughs plus corresponding travel expenses will necessarily require a larger budget.

LIFE SKILLS TRAINING CENTER - MISSOULA Disbursements \$105,027

PROGRAM DESCRIPTION: The Life Skills Training Center is a coed community residential correctional center located at Fort Missoula. Client population includes probationers, parolees, and furloughees. Care and custody is provided for a maximum of 15 male and 2 females on a 24-hour a day basis. Included in program services is provision for meals, sleeping accommodations, a physical and recreational program, educational placement, job placement support, counseling, and transportation and referral services to other community based agencies.

PROGRAM BENEFITS: Care and custody in a community setting provides alleviation of the prison population and saves tax dollars in addition to protection of public safety. This Program expands the alternatives available to the correctional system in the sentencing process.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended legislation be enacted to allow the Center to collect board and room payments from clients. This procedure will add monies to the General Fund and allow clients an opportunity to be responsible citizens.

PROBATION AND PAROLE BUREAU PROGRAM Disbursements \$737,990

PROGRAM DESCRIPTION: The Probation and Parole Bureau is responsible for the supervision of persons assigned to them by the Board of Pardons, District, Magistrate and Justice Courts and administers the affairs of the Interstate Compact Agreement for supervision of parolees and probationers. It conducts investigations and makes recommendations to the Governor, District, Magistrate, Justice Court Judges, County Attorneys and other law enforcement authorites. In addition, the Bureau provides employment, family, individual, financial, vocational and educational counseling or refers the parolees or probationers to other state or local agencies for assistance or counseling.

PROGRAM BENEFITS: Many of the benefits of the Program are best revealed in a statistical presentation. The following are indicative of supervision performed:

1. Average monthly caseload of probationers
and parolees 2,464

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2.	Montana probationers	1,456
3.	Montana parolees	403
4.	Out-of-state parolees in Montana	60
5.	Out-of-state probationers in Montana	197
6.	Montana cases supervised in other states	475

Investigations are an important benefit. The following are indicative:

1.	Presentence investigations	751
2.	Admission reports	1,301
3.	Violation reports.	519
4.	Other reports (Progress and Conduct, Furlough, Special)	1,081

A further benefit is the collection of fines, restitution, and court costs. The following were collected:

1.	Restitution	\$ 93,529
2.	Court Costs.	14,268
3.	Alimony, Child Support	29,888
4.	Fines	8,575
TOTAL		<u>\$146,260</u>

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is recommended that the legislature authorize 9 Clerk Typist II positions. The positions will:
 - a. Provide improved liaison with target clientele and citizens in communities served.
 - b. Make referrals for crisis intervention in the absence of probation or parole officers.
 - c. Type a variety of legal reports and documents for courts and Board of Pardons.
 - d. Keep records and confidential caseload files.
 - e. Accept payments for client loans and prepare required receipts for same.
 - f. Answer telephone and perform related office receptionist duties.
2. It is recommended that the legislature authorize 4 Parole Officer III positions and 3 Parole Officer II positions. The requested additional positions would provide the State of Montana benefits as follows:
 - a. All Judicial District Courts, including the recently authorized courts, will be provided required presentence investigations and reports of violations in a timely fashion.

- b. All caseloads will be reduced not to exceed 70 cases per officer.
- c. Surveillance will increase, affording better protection for society.
- d. Collection of restitution, fines, and costs as ordered by the court will increase.
- e. Delivery of service to target clientele will increase.
- f. Successful rehabilitation will increase and costs to taxpayers will be reduced when offenders become responsible citizens.

MANAGEMENT SERVICES DIVISION Disbursements \$1,166,835

PROGRAM DESCRIPTION: The Management Services Division consists of the following: Budget analyst staff, Administrative Services Bureau, and Information and System Bureau.

The staff of budget analysts are responsible for preparing and monitoring the Central Office budgets as well as coordinating and monitoring the institutional budgets. The Administrative Services Bureau is comprised of four sections: Accounting Section, responsible for all Central Office accounting and providing technical assistance to all institutions; Personnel Section, responsible for EEO compliance, recruitment in Central Office, dissemination of state personnel policies, file maintenance, and personnel evaluations; Reimbursement Control Section, responsible for billing and collecting for the state's reimbursement program; Reimbursement Field Section, responsible for obtaining financial information and determining ability to pay of those persons who are residents/patients in the state's institutions as listed in Section 80-1601, R.C.M. 1947. The Information and Systems Bureau is responsible for coordinating all data processing programming, program maintenance, and providing assistance in setting up uniform and consistent reporting throughout the Department.

PROGRAM BENEFITS:

- 1. The activities of the Reimbursement Section resulted in \$7,532,297 revenue to the state's General Fund.
- 2. By insuring EEO compliance the Personnel Section assures the public of fair and nondiscriminatory recruitment practices by the Department.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

- 1. Implementaion of the Supply Inventory Monitoring System (SIMS) at Central Office for control of supplies and materials.
- 2. Implementation of Physical Plant Inventory System for automated control of capital inventory items.
- 3. Establishment of comprehensive personnel practices and procedures for uniform application of hiring, firing, and personnel file maintenance.
- 4. Consolidation of budgetary and fiscal services of smaller institutions.

MENTAL HEALTH AND RESIDENTIAL SERVICES

DIVISION Disbursements \$2,034,091

PROGRAM DESCRIPTION: The primary function of the Mental Health and Residential Services Division (MHRSD) is to provide administrative leadership and coordination for a wide range of human service programs including the institutional and community programs for the mentally ill; institutional program for the developmentally disabled; residential programs for the alcoholic; programs for veterans and geriatrics with associated emotional problems; and a federally funded grant for development of a broad scope of community support programs for deinstitutionalized patients.

1. Services for the mentally ill: Mental health services in Montana are designed to treat individual, family, and community stress. The range of problems addressed by the interlocking system of services extends from the treatment of individual mental and emotional disruption, to the repair of family disorganization, to the provision of community wide services that emphasize total community health. The Montana mental health program provides a single State Hospital at Warm Springs (WSSH) and five Community Mental Health Centers (CMHCs), whose satellite network reaches into every county in the state. Inpatient and intensive therapeutic care and treatment is provided at WSSH to persons with severe mental disturbances. The five CMHCs each offer the federally mandated services as required in PL 94-63: Inpatient care, outpatient care, day treatment and partial hospitalization, 24 hour emergency service, children and elderly, alcohol and drugs, transitional or group homes, aftercare, screening and diagnosis, and consultation and education.

2. Services for the developmentally disabled: Residential programs for the developmentally disabled are provided at two state operated facilities: Boulder River School and Hospital and Eastmont Training Center. Both facilities have developed a sophisticated range of programs and services geared towards amelioration of the effects of developmental disabilities and to prepare individuals for eventual transfer to less restrictive community based programs.

3. Services for geriatrics: Services are provided for Montana citizens at two facilities: the Veterans' Home and the Center for the Aged. The Veterans' Home was established and is operated for Montana citizens who are veterans of any branch of the service. The Center for the Aged is operated for individuals whose geriatric condition is associated with emotional and/or behavioral problems but whose disturbances are not so great as to require the intensity of care provided by WSSH.

4. Galen State Hospital provides residential services for the evaluation, care, and treatment of persons suffering alcoholism, care and treatment for persons afflicted with tuberculosis and silicosis, and for persons who have suffered strokes or are victims of emphysema.

5. Community Support Project: The Community Support Project, a unit within the Mental Health and Residential Services Division, was established with the aid of a 4 year N.I.M.H. contract in January, 1978. It is an applied research thrust to develop a workable model for serving the

severely mentally disabled. Utilizing the South Central Montana Mental Health Center as a core service agency, this project utilizes a federal, state, and local partnership to expand upon and improve existing facilities and develop new services for those leaving the state hospital, and prevent new or readmissions. This is one of the major efforts by the Department of Institutions to facilitate deinstitutionalization. As soon as a workable model is in place, this same method will be utilized in the other 4 mental health regions of the state. A major tenet of this approach is to coordinate existing services and collaborate with the presently functioning mainstream agencies who are already serving the mentally ill. Its goal is to develop a network of caring and responsible people committed to assisting a vulnerable population to meet their needs and develop their potential without being unnecessarily isolated or excluded from the community.

PROGRAM BENEFITS: During Fiscal Year 1978, over 21,000 citizens of Montana received services from programs administered through the MHRSD. Such services ranged from two outpatient therapy sessions at a local community mental health center, to short term inpatient psychiatric care at Warm Springs State Hospital, to intensive behavior modification programs at Boulder River School and Hospital for a retarded child engaged in self-mutilation behavior, to long term care for geriatric patients at the Center for the Aged. Through intervention and therapeutic assistance, the vast majority of these patients are able to return to their home and regain their role as productive and participating members of society. A major effort of this Division has been to coordinate the state's deinstitutionalization program and to maintain a diverse system of community support for patients who have returned to the community from state hospitals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The following three areas of improvement are viewed by the Department as critical to the development of a responsible and coordinated service delivery system in Montana:

1. Coordination and Consolidation of Programs: Over the past five years Montana has experienced a dramatic and successful growth of community based programs for both the developmentally disabled and mentally ill. Such rapid growth has not occurred without confusion and some disruption of established practices. Additionally, the influx of new programs has created some problems in communication between programs and agencies as well as changing the traditional roles of some institutional programs. During Fiscal Year 1979, emphasis will be placed upon consolidation of current gains and facilitation of coordination and communication between interactive programs and agencies.

2. Accountability: During the coming year, a major goal will be to develop and implement a client data management information system throughout the mental health system that will incorporate common definitions and provide accurate and timely data on patient services. A further refinement of this system will be the development of a cost for service analysis. Anticipated benefits of such a system include the increase in accuracy of information provided the Department, the Fiscal Analyst's Office, and the Office of Budget and Program Planning for the purpose of program planning and budget allocation and monitoring.

3. **Manpower:** Effective July 1, 1978, the Mental Health and Residential Services Division was awarded a five year grant in Manpower Development for Emotionally Disordered by the National Institute of Mental Health. Improvement in the state's manpower capability is expected to be considerable in the following areas during this first year of the grant: a) formulation of a goal-directed manpower policy affecting units of production, regulation and utilization; b) projection of future manpower needs as they affect administration, institutions, the community mental health centers, and other constituencies; c) expansion of governmental and public education toward improved understanding of manpower development as a concept; c) preparation of task analysis of selected mental health jobs; and d) coordination and communication of comprehensively approached and diverse training activities designed to implement the grant goals and objectives.

MONTANA CHILDREN'S CENTER PROGRAM Disbursements \$99,851

PROGRAM DESCRIPTION: The Program provides for custodial care of the closed facility.

PROGRAM BENEFITS: Maintenance prevents deterioration of the institution's buildings.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Continue to maintain and provide adequate security for the facility. Obtain a determination regarding future use of the institution.

EASTMONT TRAINING CENTER

AGENCY DESCRIPTION

Eastmont Training Center is responsible for providing a five day residential and day training program for profoundly/severely mentally handicapped children between the ages of four and seventeen years, offering instruction in academics, home living, recreation and physical education, speech therapy, prevocational training, and socialization. The Center's goal is to allow these children to remain in their homes and communities as functioning and supportive members of society. To achieve this goal, the Eastmont Training Center emphasizes cooperation with community groups and agencies, and education of the public about developmental disabilities, specifically mental retardation.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Eastmont Training Center (ETC) has made the general public aware of all open employment positions during Fiscal Year 1978. In addition, all qualified applicants have been interviewed for these positions. all staff are given an opportunity to apply and interview for the same positions. ETC has utilized the Department of Institution's Central Office, Montana Employment Service, local, state and national media, and placement agencies to advertise job opportunities.

ADMINISTRATION SERVICES PROGRAM Disbursements \$134,792

PROGRAM DESCRIPTION: Administrative Services is responsible for the effective supervision and coordination of Center programs, fiscal

management, administration, and cooperation with other agencies and with the general public. In addition, Administration Services is responsible for inventory control, purchasing, and maintenance and improvement of the grounds, buildings, and equipment to provide a safe physical environment conducive to student education and staff efficiency.

PROGRAM BENEFITS:

1. The Administrative Services Program benefited the State of Montana by providing administrative direction to the institution's delivery of services for developmentally disabled children.
2. Administrative staff attended 67 public meetings as consultants for the advancement of quality services for developmentally disabled people.
3. The average daily attendance of pupils was increased partially as a result of the Center assuming the student transportation responsibility from the parents.
4. The Center was chosen as a site for the State Energy Program particularly because of its conservation savings index of over 15% annually in energy consumption.
5. Safety prevention management resulted in no physical injuries to employees or residents, yielding increased hours of employee work hours and student training hours.
6. Administrative Services supervised the successful construction of the Eastmont Human Services Center.
7. This Program supervised the successful completion of the curb and gutter project which has eliminated the erosion of the existing pavement.
8. The administrative staff played a key component in the award of a HURA grant totaling \$600,000 over a 3 year period for the screening and diagnosis of handicapped children in eastern Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Increased opportunities for staff career development are recommended. Furthermore, planning must begin for the development of new alternatives in regard to long term utilization. Other recommendations include:

1. Increase environmental safety by installing smoke and fire detection equipment.
2. Upgrade position classifications.
3. Improve energy utilization and conservation.
4. Landscape the new Eastmont Human Services Center.
5. Purchase equipment to save labor and handle increased campus area.
6. Provide 7 day a week program for 8 weeks during the summer.

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CARE AND CUSTODY PROGRAM Disbursements \$171,615

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for the residents' personal care in cottage life and for providing training in an informal learning environment so the children may develop acceptable social and living skills. Also, the Program's responsibility includes diet preparation and food budgeting. The food service personnel are responsible for providing a pleasant, clean, and enjoyable atmosphere which complements the total care of the residents.

PROGRAM BENEFITS:

1. Nutritional and dietary benefits were accrued via the enrollment of food service employees in a "Food Service Supervisor" correspondence course from the University of North Dakota.
2. Furniture was purchased as was recreational equipment to enhance the "home" like setting of the Center.
3. The staff increased their knowledge and ability to communicate with the children through inservice training sessions on sign language.
4. Good student health care contributed to the average daily attendance of 26.2.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is recommended that kitchen equipment which enables Food Service to prepare special food requirements and provide a labor savings be purchased.
2. Benefits would be available from expanding supplementary services by contracting a physical therapist.
3. The capability of the environment to respond to the needs of more physically handicapped children needs to be increased.
4. Training for counselors in therapy for emotionally disturbed children is needed.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$143,914

PROGRAM DESCRIPTION: Eastmont's education department assumes the accountability and responsibility for establishing training and treatment programs that included education, community awareness, social development, self-help skills, and prevocational training for all students. Three nongraded classes, with one certified teacher and one teacher's aide in each, receive support services from a speech pathologist, recreational therapist and through ESEA Title I funds, a behavior modification therapist and psychologist. Educational training and services are continually upgraded to comply with special education rules and regulations promulgated by the Office of Public Instruction.

PROGRAM BENEFITS: The outstanding benefits include prescriptive instruction for each student which reflects his/her needs for an

individually tailored program, continuation of a nonambulatory day care educational program, and programming for severely multiple handicapped students. This includes the use of sophisticated prosthetic training aids that enhance the training of 14 students. A revised and updated edition of the Eastmont Training Center Adaptive Functioning Checklist for evaluation use of students' needs and current abilities was accomplished. Other benefits include:

1. The publication of New Dimensions, a bimonthly journal depicting ongoing programs at Eastmont and research articles from other facilities concerned with services and facilities for developmentally disabled people.
2. Continual parent contact and training.
3. Continuation of Human Services Intern Program with Dawson Community College.
4. Teachers received graduate instruction in teaching methods with developmentally disabled children from the University of Washington, Special Education Unit.
5. Regular in-service training films detailing methods of teaching and behavior management of clients served, as well as the availability and utilization of guest lecturers speaking on relative topics.
6. Establishment of evening socialization and community awareness programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Additional programming to provide professional outreach capability to parents, schools, and other agencies is needed.
2. Additional equipment and materials as mandated by the admission of more severely handicapped students should be purchased.
3. The availability of educational training and conference participation for continued staff development should be increased.

COMMUNITY SERVICES PROGRAM Disbursements \$21,085

PROGRAM DESCRIPTION: The Community Services Program is responsible for establishing and maintaining admissions and placements of residents. This service includes professional assistance in planning the education of residents at Eastmont as well as providing information, consultation, and referral services to families and agencies in the development of community services.

PROGRAM BENEFITS:

1. Twenty-two percent of the Eastmont population for Fiscal Year 1978 was placed in less restrictive residential or educational placements.

2. Six students were formally evaluated and admitted to Eastmont's training program.
3. There was 27% increase over Fiscal Year 1977 in the number of parental contacts initiated through the Community Services Department.
4. The Community Services Department acted in a consultative capacity at 30 meetings and seminars dealing with establishment or maintenance of community based service systems.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Increase the outreach capability of social services to expand consultation with public and private schools and contacts with parents and state and local agencies.

GALEN STATE HOSPITAL

AGENCY DESCRIPTION:

The Hospital's primary functions are the treatment of tuberculosis, silicosis, and alcoholism and drug related illness. If space is available, Galen State Hospital also treats other lung diseases and houses some developmentally disabled persons with medical problems. The Hospital also operated an Outpatient Pulmonary Clinic and gives consultant services to other institutions and physicians.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

We are signatory to: Assurance of Compliance with SSA Regulations under Title VI of the Civil Rights Act of 1964, Section 606 of Title VI of the Federal Property and Administrative Services Act of 1949, as amended, and Section 504 of the Rehabilitation Act of 1973, as amended. Compliance data is posted in conspicuous locations throughout the Galen State Hospital complex.

ADMINISTRATION PROGRAM Disbursements \$1,032,235

PROGRAM DESCRIPTION: The Administration Program is designed to coordinate and supervise all activities regarding all physical and operational functions, including financial, personnel, security, medical records, and maintenance of the physical plant in order to attain stated objectives in all other programs.

PROGRAM BENEFITS:

1. In order to obtain ultimate overall goals without sacrificing quality medical care and treatment, the Program increased operating efficiency of personnel and financial resources and installed an ABAR computer terminal to transmit data to the Department of Institutions, Reimbursement Division. This has significantly increased collections that are credited to the General Fund.

2. The Byram Hospital, which formerly housed developmentally disabled men is now being used as a second warehouse location; thus allowing us to raze the Pavilion and thereby eliminate insurance premiums and a potential fire hazard. This eliminates the need to fund additional warehouse space as requested in the long range building program, at a savings of \$185,000.

3. Clothing, laundry supplies, and other items have been inter-transferred with Warm Springs State Hospital. Our laundry equipment was transferred to Montana State Prison and Boulder River School and Hospital.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Serious consideration be given to all items requested in our long range building program. One personnel officer, one maintenance electrician, and one additional terminal and key punch operator are needed in order to have the capability to computerize the central storekeeping system.

CARE AND CUSTODY PROGRAM Disbursements \$2,705,015

PROGRAM DESCRIPTION: The Care and Custody Program is designed and is responsible for the care and medical treatment to restore patients' health as quickly as possible, and provide nourishing meals and clean and orderly environment.

PROGRAM BENEFITS: The Program has continued to provide care and treatment of tuberculosis, alcohol, and drug related illnesses. It now has 6 fully licensed medical doctors on staff. All acute medical care functions of Warm Springs State Hospital have been transferred from Warm Springs to Galen State Hospital. It is providing Warm Springs State Hospital with clinical laboratory services, which has saved Warm Springs a substantial amount of funds, and is providing staff training to Warm Springs State Hospital up to 4 hours per week. The Program has provided 62,817 total inpatient days of care with an average daily census of 172.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Beds, care and treatment should be provided for catastrophic illnesses, Montana veterans in need of skilled care, and youthful alcoholics. This would provide more benefits to the people of Montana.
2. Better utilization of available hospital beds should be made to increase efficiency.
3. Acute medical care, postoperative care, and medical services should be provided directly to Montana State Prison.

DEVELOPMENTAL PROGRAM Disbursements \$298,356

PROGRAM DESCRIPTION: The Developmental Program provides care and rehabilitative services to both regular hospital and addictive disease patients.

PROGRAM BENEFITS: The Program provides inhalation, physical and occupational therapy and counseling, and an individual treatment plan for each patient, all designed through the use of modern intervention techniques to return patients to optimum functioning levels with the goal of their being placed into a less restrictive setting.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional rehabilitative services should be provided, which would reduce the length of stay at Galen.

COMMUNITY SERVICES PROGRAM Disbursements \$45,096

PROGRAM DESCRIPTION: The Community Services Program coordinates the receiving and placement functions with communities.

PROGRAM BENEFITS: The Program provides information to communities about services available at Galen State Hospital; cooperates with state agencies in the placement of patients into settings of a less restrictive environment and assures accountability and continuity of care between the community and Galen State Hospital.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Provisions should be made to interconnect, through a computer system, with all alcohol programs in Montana to share data and treatment results to determine weaknesses and strengths in reaching goals and objectives.

MOUNTAIN VIEW SCHOOL

AGENCY DESCRIPTION

The purpose of the Mountain View School consistent with Section 80-1410, R.C.M. 1947, as amended, is "to properly diagnose, care for, train, educate, and rehabilitate children in need of these services".

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

All help wanted ads, hiring, promotion and termination policies were made without regard to sex, marital status, age, physical or mental handicaps, race, creed, color, or national origin. Instead, the Mountain View School attempts to fill positions with the most qualified applicant who appears to most adequately meet program needs.

ADMINISTRATION PROGRAM Disbursements \$249,908

PROGRAM DESCRIPTION: The Administration Program provides the necessary supervision, accountability, evaluation, staff development, and training to insure the institution accomplishes all that is required by law and remains within the legislative appropriation. It also provides the professional leadership and moral commitment to the treatment of each child as an individual having innate worth and dignity in the least restricted institutional environment necessary for the protection of the child and/or the general public.

PROGRAM BENEFITS:

1. 198 children were in the institution during the 1978 fiscal year. Of this group, 54 were boys who were committed for the 45 day evaluation program, 2 were federal, female, juvenile offenders, and one was a tribal committed juvenile female. The recidivist rate for the year was 7.14% while the average length of stay was 11 months. The average daily

population was 54.16. The number of runaways from the institution grounds was 25. All were returned except one due to the efforts of the Mountain View School staff members.

2. The Mountain View School maintenance crew processed 326 work orders with several of them involving major remodeling or repair work.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Two of the older cottages should be replaced with one-story, fire resistant, 32 bed duplex cottages. A new warehouse is also needed.

2. Since July 1, 1977, the Mountain View School has been accepting boys who are committed for a 45 day evaluation. Fifty four boys were evaluated during the 1978 fiscal year. The program was a one-year pilot project. A recommendation to continue this program has been submitted to the Department of Institutions.

3. Consideration should be given to some type of blanket health and dental insurance policy for all Mountain View School students. The cost of this program is continuing to increase rapidly.

4. The Staff Development Program should be refunded to educate and train Mountain View School staff members.

CARE AND CUSTODY PROGRAM Disbursements \$539,933

PROGRAM DESCRIPTION: The Care and Custody Program is responsible for providing each child with safe, clean living quarters; nutritious food; proper clothing; adequate medical and dental care; recreation; housekeeping; and, personal hygiene training.

PROGRAM BENEFITS: The Care and Custody Program provides basic individual needs to each student committed to the institution for diagnosis, treatment, and care. Without meeting these needs, the assigned institutional purpose of rehabilitation and evaluation could not take place. One hundred ninety-eight students were cared for during Fiscal Year 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. More appropriate and safe living quarters should be constructed to replace two of the four existing cottages which were constructed in the 1920's. New cottages should be fire resistant, one-story, 32 bed duplex structures replacing two large, energy consuming structures that are a potential fire danger.

2. The rise in cost of medical and dental care necessitates the need to investigate the possibility of a blanket insurance policy to cover these needs. The possibility of including institutional residents in federal medical programs should also be explored. The accomplishment of an alternative would allow more emphasis to be placed on medical and dental needs than is possible at present.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$345,194

PROGRAM DESCRIPTION: The Developmental Services Program exists to provide both diagnosis and/or treatment of all children through the Clinical Services Department which consists of social workers and a psychologist. A contract with the Southwestern Mental Health Center also provides additional psychological and psychiatric services.

An accredited high school is provided with emphasis on an individualized educational program in small, ungraded, success oriented, vocational and academic classes during the regular school year and summer.

PROGRAM BENEFITS: One hundred ninety-eight children were educated and treated. Of those, ten earned high school diplomas, or equivalency thereof, and 24 received certification in vocational skills. The average reading level increased two grade levels and math skills increased one grade level.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Consideration should be given to the following additional education staff: Instructor, .75 FTE, to instruct manual training skills classes.
2. Additional funds to expand half-day, eight week summer school to ten weeks and to employ two additional .192 FTE summer school teachers are needed.

COMMUNITY SERVICES PROGRAM Disbursements \$12,091

PROGRAM DESCRIPTION: The Mountain View school, in an attempt to provide the maximum in opportunity to regular commitments, includes services available in the community of Helena to supplement the "on campus" program. Examples of these services include on-the-job training, CEP and Vo-Tech training, and Carroll College. A "Big Sister" program and other volunteer programs from the community fall under this Program. A program manager is assigned the responsibility of coordinating these services with the overall Mountain View School program.

PROGRAM BENEFITS: The exposure and training resulting from the Community Services Program does much to enhance student self-image as well as provide valuable experience allowing the student to more satisfactorily adjust to a noninstitutional environment upon release. During Fiscal Year 1978, 29 students were involved in the off-campus work program, 38 students were assigned "Big Sisters", and 12 students worked on-campus under the Neighborhood Youth Corps Program.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: It is recommended that the present program be continued at its present level. Not only must the best interests of the student involved be kept in mind in regard to individual needs, but security precautions must continue to receive high priority.

PINE HILLS SCHOOL

AGENCY DESCRIPTION:

Pine Hills School, formerly called the Montana State Industrial School, was established in March, 1893, with the signing of House Bill 184 by Governor J.E. Richards. The purpose of Pine Hills School, consistent with Section 80-1410, R.C.M. 1947, as amended, is, "to properly diagnose, care for, train, educate, and rehabilitate children in need of these services."

Pine Hills School operates on the premise that every student is a worthwhile individual who has been unable to deal with his problems in an unstructured community setting. It is our belief that behavior is learned, and therefore can be modified. It is also recognized that an individually tailored treatment program at the Pine Hills School can bring about necessary modifications of behavior, and, therefore, meet the needs of the student and the State of Montana. The institution attempts to provide a variety of services in the area of vocational education, psychiatric treatment, medical treatment, and counseling, thus allowing for maximum program opportunities. In addition, the Pine Hills School concentrates on providing a healthful environment, nourishing meals, adequate clothing, and recreation outlets. The Program capitalizes on community available services as well as on-campus activities. All services are provided within the constraints of the law and consistent with reasonable protection to the individual and society.

In summary, the Pine Hills School attempts to provide a well rounded treatment program, in a least restrictive environment, in as short a period of time as possible.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Pine Hills School attempts to fill each position with the most qualified applicant who appears to be adequately trained to meet the program needs. All help wanted ads, hiring, promotion, and termination policies are met without regard to sex, marital status, age, physical handicap, race, creed, color, or national origin.

ADMINISTRATION PROGRAM Disbursements \$486,675

PROGRAM DESCRIPTION: The Administration Program provides the institution with efficient and effective management of all departments within the Pine Hills School. The major responsibilities include, but are not limited to, fiscal control, budget management, recruiting, training of staff, overall personnel management services, and supervision and direction of all programs operating within the School.

PROGRAM BENEFITS: The Administration Program has continued to provide overall direction, management, and leadership in all areas of the School. Despite a rather stable average daily population of 129.8 the recidivism rate this fiscal year of 11% is down from last year's 12.6%. Additionally, Pine Hills School, through good management and sound budgetary procedures, completed this fiscal year without a direct supplementary budget increase. This was accomplished by placing the School on an "emergency only" spending basis on March 8, 1978. A General Fund savings of \$7,539 was realized as a result of diligent application of the "emergency only" spending measure and this money will revert to the state.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: It is recommended that this Program reestablish the position of accountant in the business office. Due to the expanded role of the business administrator and the complexity of the new statewide accounting system, plus continuation of the Priority Budget System (PBS) which requires a complete interface and continuous operation of the two systems, we can no longer operate efficiently without an accountant devoting full-time to money matters. Benefits to be derived from this position will include a more timely and accurate record keeping system, availability of accurate and immediate budgetary advice and assistance, coupled with a more judicious expenditure of available state funds.

CARE AND CUSTODY PROGRAM Disbursements \$761,952

PROGRAM DESCRIPTION: The Care and Custody Program has the responsibility of providing life environment and supervision for the students in the least restrictive manner possible. Attempts are made in the Program to deinstitutionalize the appearance of the living areas and to provide the most comfortable environment possible for treatment to take place. This Program teaches appropriate use of leisure time and places emphasis on interpersonal interactions with both the students, peers and adults.

PROGRAM BENEFITS: The Care and Custody Program has continued to provide all of the students with the most meaningful living environment possible, which is conducive to treatment intervention. All attempts have been made to create as near normal an environment as possible. The Care and Custody Program continues to recognize public opinion and public impressions as a very important aspect of the total, and has continued efforts to make the appearance and functioning of the Program such that public support will be obtained.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The most pressing need at this time is to increase the number of cottage life attendants and to upgrade three Cottage Life Attendants II to Cottage Life Attendant III positions. This would enable the Program to expand the twenty-four hour lodge programming and to establish individual treatment teams in each lodge. By increasing the lodge programming and supervision we can achieve a more open environment with more staff/student interaction.

DEVELOPMENTAL PROGRAM Disbursements \$599,741

PROGRAM DESCRIPTION: Under developmental services we have two departments; Educational and Clinical Services.

The major goal of the Educational Department is to provide each student with an educational experience that will help him develop skills necessary to compete and adjust to society's standards. The Educational Department has the responsibility of scheduling students from 8:00 a.m. to 5:00 p.m. in either academics, vocations, and/or to work on a detail. A student is placed in a detail area (maintenance, farm, food services, laundry) according to his choice when possible, and in keeping with his own aptitudes and interests. The goal is to enable the student to learn good work habits and work skills that are realistic requirements in the world of work. The Educational Department provides recreational activities during the evening hours and on weekends so that the students may increase their social skills and learn how to utilize their leisure time.

Clinical Services has the obligation and responsibility to provide each student with an individually structured treatment program. These treatment programs are tailor-made for the student by the counselor, with the counselor coordinating all input from the Department into the programming of the student.

PROGRAM BENEFITS:

1. The Educational Department has continued to provide each student with academic instruction where each one can experience success. By operating the school year-round (252 days rather than the regular 180 days) students are able to make greater use of the academic and vocational classes available to them. Since a student is permitted to progress at his own rate of speed, it is possible for him to complete more than one school year during the time he is at the institution. We continue to be one of the few state training schools that participate in the regular school athletic program (basketball and track). Students are also given the opportunity to enroll in our driver's training course. The ISP (Individually Structured Program), funded under ESEA Title I, continued to be an exemplary program since approximately 67% of our students are 3.5 years behind their actual grade placement.

Number of academic programs	17
Number of vocational programs	9
Number of high school diplomas issued	7
GED completions	2
Percent of students successfully reentered into public schools	80%
Number of off-campus activities per month	6
Weeks Camp Carefree operated	9
Recreation in discipline lodge	2 hours per week
Hours of recreation per week	22

2. The Clinical Services Department has made a concentrated effort to expand the documentation and accountability of its treatment program. This has entailed better organization of resources and efforts and has given the department credibility that it has not known before. Efforts will continue to keep the length of stay at the lowest possible amount of time, however not at the expense of sacrificing treatment intervention to the students. We continue to encourage family visits and other visitors, and at every possible opportunity expand our programming to the community. There is an increasing awareness of the need to utilize every possible resource available in the community and the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Educational Department recommends the following for the next biennium: a) One additional position for a mathematics teacher which is necessary due to the increased number of mathematically deficient students we are receiving. b) One additional position for a school counselor because of requirements of the Department of Public Instruction for accreditation. c) One position for a vocational agriculture teacher and one position for an aide in the food services program so the vocational program could be expanded with the facilities now on campus to provide the

students with saleable skills that are useable and in demand in our state. d) One additional recreation supervisor. Because of the day and hours that recreation is carried out it is difficult to hire and hold people. e) Air conditioners are needed in the classrooms because of the extreme heat in the rooms during the spring, summer, and early fall sessions to establish a more appropriate environment for learning. f) Increase funding of the School's operational budget for the replacement of tools, equipment, and supplies since reimbursement of the vocational program has been discontinued through VEA.

2. It is felt that the Clinical Service Department could be enhanced with the employment of a Crisis Intervention Social Worker who would work the hours from 2:00 p.m. to 10:00 p.m. Monday through Friday. This would offer many alternatives to handling problems and discipline that are not available. This could be accomplished without adding any additional FTEs. There is a dire need for an additional FTE nurse position to upgrade the medical services available on our campus. Our medical program is now under the direction of a psychiatrist, and a medical-psychiatric unit is being developed within existing structures.

COMMUNITY SERVICES PROGRAM Disbursements \$18,158

PROGRAM DESCRIPTION: The Community Services Program is expanding to incorporate all possible resources and open up two-way communication with all existing agencies that are of a resource nature. This Program provides service while the students are on-campus and coordinates efforts very closely with the Bureau of Aftercare to provide follow-up service. Through this Program, duplication is kept to a minimum, and knowledge of various programs becomes more readily available.

PROGRAM BENEFITS: The outstanding benefits of this program are twofold: the first being nearly complete utilization of community resources within the institutional structure and programming, the second being follow-up services received by the students once they are released from the institution. The involvement with the agencies increases awareness and improves public relationships.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The Community Services Program should be elevated to a department level with the addition of a program manager to begin utilization of the Miles City community as a potential outreach program from the institution. It is felt that there are resources to be tapped; however, it would need the services of a full-time program manager to develop these resources.

FARM PROGRAM Disbursements \$138,954

PROGRAM DESCRIPTION: The Farm exists for two major reasons:

1. To provide students with a meaningful work experience wherein they may learn how to relate to adults, learn good work habits and skills, and have the opportunity to learn about the total farm operation from production to use and experience in handling machinery.
2. To produce foodstuffs for the institution such as meat, milk, cream, potatoes, etc.

In essence, the overall goal of the Farm Program is to increase the production and rehabilitative aspects of the farm through utilizing efficiently all resources available in which the opportunity for human growth, along with a savings to the taxpayer, is maximized.

PROGRAM BENEFITS: The Farm continues to supplement the food supply at Pine Hills School, thereby enabling the institution to maintain a low cost of 32 cents per meal. Despite a history of extremely bad management, the farm has been revised and presently is being operated by the best management team in recent times. These good management efforts are visible in the revitalized dairy, beef, and swine herd which is geared to, and exceeds consumption requirements, in those areas. Although considerable damage was experienced from hail this season, the hay crop has exceeded 7,000 bales on the first cutting alone. In order to straighten out the beef herd, Pine Hills School purchased 26 head of Line 1, Hereford cows from the United States Range and Livestock Station. These cows are bred to Line 1 Hereford bulls and will provide the nucleus for a purebred Line 1 Registered Hereford herd. The dairy herd has been supplemented with a nucleus of 10 Holstein cows bred to pure Holstein bulls. These cows are due to calve in 45 to 60 days. The swine herd is exceeding production and consumption goals are established at 100 slaughter hogs per year.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is recommended that Pine Hills School establish a vocational agricultural instruction program on the Farm during the coming year. Such a program will provide a much more individualized training program and provide Pine Hills School students with the opportunity to participate in dairy, beef, swine, and agricultural crop competition such as FFA, local fairs, displays, etc.
2. In addition to recommending a vo-ag program, the Farm should be placed on revolving account for the next fiscal year. Such an account will permit the Farm to generate revenue and be self-sustaining, thereby providing a savings in General Fund.

MONTANA STATE PRISON

AGENCY DESCRIPTION:

Montana State Prison's goals are as follows:

1. We must do our best, through our Admission Summary, counseling, educational program, recreation, job assignment, medical service, religious program, and Therapeutic Communities to return the convicted felon to free society as an asset and not a recidivist who returns to prison again and again.
2. We must further protect free society from the convicted felon. We must protect him from other inmates and himself. We must also properly feed, clothe, house and supervise work performances of inmates.

3. Administration of an efficient and productive institution is a primary goal and always in mind that we are public employees. The taxpayers and citizens of Montana are trusting us to spend their money wisely.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The applicant hereby agrees that it will comply with Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and all requirements imposed by or pursuant to regulations of the Department of Justice (28CFR Part 42) issued pursuant to that title, to the end that no person shall, on the ground of race, color, creed, sex, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant received federal financial assistance. Also, Montana State Prison follows the guidelines of EEOC, AAP, and the Human Rights Commission.

ADMINISTRATIVE SERVICES PROGRAM Disbursements \$1,444,467

PROGRAM DESCRIPTION: Administrative Services exists because Administrative Services are the key and backbone of any organization and without proper record keeping and administration everything would be in complete disarray.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the Prison:

1. Continue its upgrading and consolidation of warehouse functions under a centralized system,
2. Further implement a supply, inventory managements system utilizing the computer currently in possession,
3. Constantly strive for continued upgrading of its Preventive Maintenance Programs, and
4. Continue the records depository and the microfilming of permanent records.

CARE AND CUSTODY PROGRAM Disbursements \$3,483,198

PROGRAM DESCRIPTION: The Care and Custody Program exists to fulfill the requirements of protecting free society from the convicted felon, and attempts to return the man to free society as an asset, and further to accomplish this in an efficient and productive manner.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Attempt through scheduling to cut overtime expenditure. The reduction of overtime associated with the Care and Custody Program would reduce the expenditure rate of the Program.
2. A full-time attorney or legal aide should be employed. The amount of legal work generated by the inmates has increased considerably and become more complex. This new position would release present staff from spending hours answering allegations and allow staff to concentrate on their normal assignments.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$1,020,669

PROGRAM DESCRIPTION: The Developmental Services Program exists to offer the inmate population the following programs: Adult Basic Education, High School Diploma Program; High School Equivalency Program; Correspondence Courses, Vocational Training in Culinary Arts, Auto Mechanics and Farm Equipment Repair, Meat Processing, Electronics, Welding, Baking; Vocational Training (On-the-Job Training) in Electronics, Welding and Boilermaking, Carpentry, Cabinetmaking, Wood Finishing, Electrician (Lineman and Industrial), Plumbing (Steamfitter and Gas Fitter), Machinist, Stationary Engineer (1st, 2nd and 3rd Class Licenses), Motor Rewinding, Work Experience, Recreation, Hobbies, Religious Programs, Music Education, Jaycees, Yokefellows, North American Indian League, Indian Culture Class Off-Ground Programs, Vocational Rehabilitation Counseling, Bureau of Indian Affairs Counseling, Library Services, Work and Study Release, Social Services, Clinical Services, Alcohol and Drug Programs and Pre-Release Programs.

PROGRAM BENEFITS:

1. The above programs are used by the inmates to aid themselves in their rehabilitative process to the end that they will become self-sufficient, productive citizens and not a financial drain to society. At any given time, only 23% of the inmate population has ever been at the prison before, which indicates that program efforts are paying off.

2. The courts have increased their use of our services for diagnostic evaluations before sentencing. The Program has helped many otherwise incorrigible inmates adjust within a prison setting through the use of the therapeutic community.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The successful therapeutic community at the new institution should be continued.

PRISON RANCH AND DAIRY PROGRAM Disbursements \$917,808

PROGRAM DESCRIPTION: The Ranch and Dairy Program exists as a revolving fund account to provide services to Montana State Prison and other state institutions with meat and dairy products.

PROGRAM BENEFITS: The Ranch and Dairy Program provides meat and dairy products at a reduced rate to state institutions. These products are provided at a rate 10% below market value which provides a savings to the taxpayers of Montana. Also, other state institutions can be assured of receiving the very finest products available.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

It is recommended that the Montana State Prison:

1. Continue to expand the market for the Program's dairy and meat products.

2. Continue to upgrade and continue its quality control by constant supervision of the entire process.
3. Use ranch oil and gas lease money to provide for an irrigation system that will allow for all feed used to be grown on the Prison Ranch.
4. Explore with the use of grant money the possibility of growing vegetables for all state institutions by hydroponic methods using natural hot springs located on the ranch to provide for heat and water.

LICENSE PLATE FACTORY PROGRAM Disbursements \$328,117

PROGRAM DESCRIPTION: The License Plate Factory Program exists to support the manufacturing of license plates for the state.

PROGRAM BENEFITS:

1. The License Plate Factory provides license plates for all vehicles requiring license plates. The factory provides new plates as well as replacement plates for lost and damaged plates. It further provides personalized plates for individuals who wish to purchase them.
2. The License Plate Factory ships all license plates to the appropriate courthouses for convenience of the general public.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: It is recommended that the Program be expanded to include the manufacturing of road and street signs for sale to cities and counties.

SWAN RIVER YOUTH FOREST CAMP

AGENCY DESCRIPTION

The Swan River Youth Forest Camp is included in Title 80, Chapter 14, State Department of Institutions laws. The Youth Camp receives transfers from the Pine Hills School at Miles City, Montana, and from the Montana State Prison, Deer Lodge, Montana.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Swan River Youth Forest Camp has developed an affirmative action plan and it is currently in successful operation. The Director of Counseling was given the extra duty of EEO officer.

ADMINISTRATION PROGRAM Disbursements \$104,969

PROGRAM DESCRIPTION: All services that relate to the general administration and management of the Youth Camp or cannot be specifically identified in other service areas are included in the Administration Program. The major services of this Program are overall management of the Youth Camp, fiscal control and accountability, record keeping, and maintenance of plant and facilities.

PROGRAM BENEFITS: The specific benefits to the public were as follows:

1. Provided a sound management leadership plan for effective and efficient operation of the Youth Camp.
2. Furnished information needed on the operation of the Youth Camp.
3. Arranged for staff in-service training to help achieve the goals of the Youth Camp.
4. Evaluated costs and effectiveness of all Camp operations.
5. Carried out a maintenance program to protect the state's capital investment.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: An additional .50 FTE position should be added to help with the increased work load due to the hot lunch programs, boarding of federal prisoners, and the new affirmative action program.

CARE AND CUSTODY PROGRAM Disbursements \$367,407

PROGRAM DESCRIPTION: The Care and Custody Program provides all services for housing, feeding, clothing, and general welfare of the residents. The security and safety to residents and the general public are also maintained within this Program.

PROGRAM BENEFITS: The specific benefits to the general public were the housing and humane treatment of youthful offenders committed or transferred to the Youth Camp. Basic medical food service, and living needs were met for the residents.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Storage space for residents' personal property is needed badly in order to protect their property.
2. An increased medical budget is needed. At present the Youth Camp can only meet emergency medical and dental needs of the residents.
3. One additional FTE for a Group Life Supervisor should be added and funds provided.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$73,397

PROGRAM DESCRIPTION: The Developmental Services Program provides a range of services including diagnostic counseling, release planning, education, and training opportunities to each resident.

PROGRAM BENEFITS: This Program provides to each resident the following specific benefits:

1. Professional assistance in formulating release plans.

2. Opportunity for appropriate guidance and counseling.
3. Opportunity for work experience, learning good work habits, work attitudes and safety practices in the work program.
4. An opportunity to correct educational deficiencies.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. A multi-purpose building is needed in order to provide more space to meet education and training.
2. An additional FTE should be added and funded to work with the needs of the residents in the vocational area.

MONTANA VETERANS' HOME

AGENCY DESCRIPTION:

Montana Veterans' Home provides a home for qualified veterans, both male and female; and in some instances veterans' wives and/or widows.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Members are accepted regardless of race, color, creed, or national origin. Activities are provided for all residents and are not directed to any single group or interest.

ADMINISTRATION PROGRAM Disbursements \$72,275

PROGRAM DESCRIPTION: The Administration Program maintains records as required by law, and provides overall supervision of the entire facility.

PROGRAM BENEFITS:

1. The maximum level of care has been achieved at one of the lowest per diem cost of state veterans' homes in the nation: domiciliary care, \$12.55 per day, of which the Veterans' Administration pays \$5.50 per day for each eligible veteran, and Nursing Home care, \$21.96 per day, of which the Veterans' Administration pays \$10.50 per day for each eligible veteran.
2. In-service training for employees is afforded wherever possible.
3. The entrance road to the Home and the business parking area were paved with blacktop by the Flathead County Road Department through authorization of the Flathead County Commissioners, at no cost to the state.
4. A 2,600-foot blacktop wheelchair trail, 6 feet wide was completed. The shale gravel base was placed by the Flathead County Road Department at no cost to the state, and the black topping, done by a private contractor, was paid through private contributions and the Montana Veterans' Home Memorial Foundation.

5. A tree line was planted around the new wheelchair trail through the cooperation of the Montana State Forestry Department.

6. A 200-step stairway to the river front and Aronson Park, complete with bandstand at the base, was constructed. The lumber was sawed from the Veterans' Home property for this construction, thus saving approximately \$31,000 which had been the estimate for the stairway.

7. A new 8 x 36 foot greenhouse was donated by one of the residents and installed for use by residents, as well as starting seedlings for the garden and flower beds.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The continuing deterioration of the old water main, hot water heating system, and water softener makes it mandatory that it be replaced. A start was made with the new auxiliary well which is scheduled for completion in the summer of 1978. A new water softener is ordered to be installed within 30 days.

CARE AND CUSTODY PROGRAM Disbursements \$663,901

PROGRAM DESCRIPTION: The Care and Custody Program is primarily concerned with the basic care, hygiene, and general well-being of the residents, with the least restrictions possible, while maintaining a homelike atmosphere.

PROGRAM BENEFITS:

1. 34,198 days of domiciliary care were furnished and 14,140 days of skilled and intermediate care were furnished in the Nursing Home.

2. A new 1/2 ton pickup was purchased to replace the 1968 truck. Also purchased was a snow blower to help alleviate the winter snow problems.

3. Major renovation projects included exterior and interior painting of the buildings.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Increase the capacity of the Nursing Home from 40 to 80 beds, as many needy veterans are placed on a waiting list because of bed limitations. The need becomes greater each year for nursing care space as the average age of the World War I veteran is 82 years; average age of World War II veteran is 61 years. This proposed construction and furnishing will be funded 65% from the Veterans' Administration and 35% from the state.

2. Due to the congested parking area it is requested that this be enlarged to accommodate the traffic.

FARM PROGRAM Disbursements \$3,626

PROGRAM DESCRIPTION: The Farm Program and revolving farm account were established to provide an enterprise method of accounting for the farm operation which exists to reduce overall costs of Home operations.

PROGRAM BENEFITS:

1. Reduces overall food costs of the Home operation by providing garden vegetables such as potatoes, spinach, corn, carrots, onions, cabbage, rutabagas, beets, string beans, radishes and peas. Whenever possible, potatoes are sold at a greatly reduced cost to other institutions.
2. Volunteers from the community, along with residents of the Home and off-duty employees, assisted in the preparation and preservation of over 5,000 pounds of cherries and other fruits and vegetables. Also helping with the Program were several youth employees hired by the Summer Program for Economically Disadvantaged Youth.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Usage of seasonal employees to assist with harvest and preparation of garden products should be continued.

WARM SPRINGS STATE HOSPITAL

AGENCY DESCRIPTION:

The primary functions of Warm Springs State Hospital are the care and treatment of mentally ill persons (Section 80-2401, R.C.M. 1947). The hospital has performed these functions since 1912 when the institutional facilities were purchased by the State of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

During Fiscal Year 1978, Warm Springs State Hospital reaffirmed its commitment to the policy of providing equal employment opportunity to all its employees and applicants for employment regardless of race, color, creed, national origin, sex, age, physical and/or mental handicap. Warm Springs State Hospital will strive to eliminate any traces of discrimination and will increase the utilization of minorities and women wherever these deficiencies exist and availability permits. During Fiscal Year 1978, the Personnel Bureau completed a rough draft of the Affirmative Action Plan for Warm Springs State Hospital. All applications are reviewed initially by the Personnel Bureau and then controlled in their distribution to department heads and/or unit supervisors.

ADMINISTRATION PROGRAM Disbursements \$1,052,151

PROGRAM DESCRIPTION: The Administration Program encompasses the following bureaus until nearing the end of the fiscal year: Fiscal, Personnel, Plant Support and Operations, Medical Records, and Administration. All nonclinical activities are controlled in this Program. Under reorganization, effective May, 1978, the clinical departments of X-ray, Pharmacy, and Laboratory were transferred to the Administration Program. Administrative and Support Services are responsible for maintaining the efficiency and effectiveness of the activities encompassed by these major program areas: Care and Custody, Developmental Services, Community Related Services, Recreation Hall and Canteen. The following services would be included: (a) Coordinating all policies and procedures for the institution to assure compliance with laws and professional goals; (b) Ensuring the best patient care and rehabilitation; (c) Providing for the effective and efficient operation of Warm Springs State Hospital as a whole; (d) Accounting for the use of Montana state resources through data collection and analysis; (e) Supplying diagnostic and medical support.

PROGRAM BENEFITS:

1. Demolition of Unsafe Residence Units -- During Fiscal Year 1978, the following buildings were demolished: Unit 69/70, Unit 71, Unit 74, Unit 78/79, Mussigbrod, Mitchell.
2. Fire Protection -- Completed fire protection installations on Warren Building (207).
3. Safety -- Installed new fire exit signs and hand railing in the following residence units: Unit 66/67 (211), Unit 85/86 (216), Geriatrics (219). Signs for the blind were installed in these residence units: Warren (207), Receiving Hospital (201), Annex 16 (217), Geriatrics (219).
4. Construction/Renovation/Maintenance -- Completed Laundry renovation (108); installed new sewer line in basement of Student Nurses' Residence (110); erected patio fence at Geriatrics Unit (219); transferred Childrens' Unit from Unit 85/86 to Unit 66/67 (211); planted new grass at Security Unit 56/57 (218); refurbished Unit 85/86 (216) to accommodate Forensic patients from Mussigbrod area; installed new screens and locks on Unit 66/67 (211) for security and safety of Childrens Unit; refurbished sewing area in Maintenance Building (401); Maintenance Warehouse moved to Receiving Warehouse (305); Hospital Supply moved from Annex 16 to Maintenance Building (401); plans for remodeling Duplex 32 were completed; closed employees dining room (301) and remodeled this building to house Central Occupational Therapy and Beauty Shop.
5. Fiscal -- Reimbursement transferred to ABAR System; successfully met reversion requirement of HB 145.
6. Licensing and Certification -- Maintained Department of Health licensure of 44 acute beds, 148 skilled beds, and 228 intermediate beds; maintained Medicare/Medicaid certification of Geriatrics Unit; maintained agreement with Montana Foundation for Medical Care; continued progress toward meeting J.C.A.H. Accreditation Standards; continued improving documentation within the medical charts; maintained the functioning of committees required for J.C.A.H. accreditation and Medicare/Medicaid certification.
7. Personnel -- Began recruitment for professional positions created under reorganization; strict adherence to the concept of position control allowed administration to adjust to suggested reduction in the biennium budget; renegotiated and ratified all union contracts; successfully recruited physicians and psychiatrists; increased physician/psychiatrist salaries to level permitting Warm Springs State Hospital to compete successfully with other states and with the Montana Community Mental Health Centers.
8. Organization -- Began reorganization of Warm Springs State Hospital Clinical services, shared services between Galen State Hospital and Warm Springs State Hospital, unit supervisor roles were clarified to include built-in accountability for the overall operations within the unit system; mentally retarded patients were evaluated and their transfer to more appropriate living environments was initiated.

9. Legislation -- Reevaluation of Mental Health Commitment and Treatment Laws; simplified procedures for commitment to Warm Springs State Hospital were enacted by the 1977 Montana State Legislature; made progress toward implementing recommendations of the Mental Health Advisory Council and the Board of Mental Disabilities Visitors; fulfilled specific objectives for which Warm Springs State Hospital was designated the responsible organization in the Montana Comprehensive Mental Health Plan.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Personnel -- (a) Reactivation of Awards Dinner to provide recognition for years of service and to increase employee morale; (b) Provide institution wide policy on alternative actions; (c) Develop Personnel Handbook for all employees with standardization of interpretations in the implementaion of personnel practices; (d) Maintain surveillance of physician/psychiatrist salaries and increase salaries as needed to permit Warm Springs State Hospital to compete successfully with other states and with the Montana Community Mental Health Centers; (e) Implement a viable industrial accident program; (f) Complete recruitment for professional positions created under reorganization; (g) Implement an Affirmative Action Program; (h) Develop and implement a system of peer review for all categories of professional personnel.

2. Fiscal -- (a) Extend SIM's Inventory to the maintenance warehouse and office supplies; (b) Complete the litigation in regard to patient's class action suit relating to patients' fiscal responsibilities for treatment at Warm Springs State Hospital; (c) Continue efforts to establish a common nomenclature for statistics throughout the institutions to minimize paperwork requirements due to the duplication of reports sent to various state agencies; (d) Participate in the common patient information system and data base as recommended in 1978 Montana Comprehensive Mental Health Plan; (e) Develop a uniform management information system that includes financial data compatible with state and federal reporting requirements; (f) Fund Warm Springs State Hospital and Community Mental Health Centers through a single funding system geared toward unifying the hospital and community based programs (this recommendation presumes that integration of institutional and community programs can and must be achieved); (g) Removal of patients' attorney from Warm Springs State Hospital payroll as soon as an alternative source of position funding can be found.

3. Licensing and Certification -- (a) Continue efforts to meet standards for accreditation by Joint Commission on Accreditation of Hospitals; (b) Continue efforts to correct licensure and certification deficiencies; (c) The standards developed by Wyatt-Stickney ruling should be considered minimum standards, keeping in mind that these standards describe one shift only.

4. Legislation -- (a) Participation with Community Mental Health Centers and the Mental Health and Residential Services Division (Department of Institutions) in joint treatment planning to formulate and develop diagnostic, admission, treatment, and discharge policies, thereby creating open dialogue surrounding mutual problems, reaching agreement on definition of terms, and providing opportunities for discussion of interrelated concerns and issues; (b) Continue quarterly monitoring and reporting of patients who have been inappropriately admitted to Warm Springs State

Hospital; (c) Participate with the other parts of the Montana Mental Health System in a unified patient-management plan which would include a tracking system to follow the patient from the point-of-entry into the mental health system to the point-of-exit; (d) Change Mental Health Codes to provide that admissions to Warm Springs State Hospital are screened by a community based facility in a collaborative manner as part of a treatment plan.

5. Long-Range Planning -- A complete long range plan be developed by the Department of Institutions in consultation with the professionals in the field concerning the role of institutions and community agencies with respect to the provision of services to the mentally ill within the next ten years.

6. Construction/Renovation/Maintenance -- (a) Complete the renovation of General Hospital (205) to meet Life/Safety standards; (b) Replace natural gas lines and loop water mains; (c) Continue the existing program of grounds improvements, street paving, curbing, and sidewalks; (d) Remodel existing employee housing and replace the greenhouse; (e) Extend the landfill area of Fish and Game property; (f) Rebuild roofs on buildings 303, 201, 535-541, 301, 304, 306, 107, 506, 507, 508; (g) Relocate water lines in some hospital areas.

CARE AND CUSTODY PROGRAM Disbursements \$7,635,682

PROGRAM DESCRIPTION: Warm Springs State Hospital is committed to the concept of providing high level care and custody services to resident patients. Care Means: Adequate physical care of all patients in a clean, sanitary atmosphere. Attention will be given to each patient's need for relief from pain and discomfort. Patients will be given protection from injury and infectious disease. Medical treatment will be available to all patients. Custody Means: Protection in regard to the rights of individual patients; a secure environment for patients who are potentially dangerous to themselves and others; broad-spectrum medical-psychiatric services; placement of patients in appropriate "prosthetic" communities within the Warm Springs institution whenever placement in a less restrictive community environment is unfeasible; long-term environment conducive to the patient's self-respect, comfort, and happiness, whenever placement in a less restrictive environment is unfeasible.

PROGRAM BENEFITS:

1. Survey reports indicate maintenance of sanitation and infection control at Warm Springs State Hospital.
2. Protection of patient care and treatment rights.
3. Remodeling of Warren Building was completed. The Building is currently used for housing of Extended Treatment Unit patients.
4. Childrens Unit moved to Unit 66/67 providing for a more secure and safe facility.
5. Consolidation of Medical-Surgical Unit with Galen State Hospital.

6. Movement of patients from Mussigbrod 49/50 to refurbished Unit 85/86.
7. Direct Care staffing patterns were established and implemented.
8. Consolidation of patient population based upon diagnostic and treatment needs.
9. Dental assessment on every newly admitted patient.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Maintenance of adequate level of staff and facilities.
2. Use Bolton Building for patient therapy rather than patients' residence unit.
3. Remodel General Hospital (205) to accommodate excess of patient population from Bolton Building.
4. Establish Crisis Intervention Team.

DEVELOPMENTAL SERVICES PROGRAM Disbursements \$1,839,208

PROGRAM DESCRIPTION: The Developmental Services Program develops an individual treatment plan for each patient. The treatment plan describes appropriate psychiatric intervention and approaches designed to return the patient to optimum functioning. Goals for patients are stated in each treatment plan. These goals focus on outcomes such as ameliorating thought disorders, emotional discomforts, social functioning deficits, language impairments, and vocational handicaps in Warm Springs State Hospital patients. The goals are directed and implemented toward improving the individual patient's functioning over a wide range of possible coping skills.

PROGRAM BENEFITS:

1. Implemented milieu therapy and team treatment concepts.
2. Established nonmedical unit directorships in line with reorganization concepts.
3. Transferred Intensive Treatment Unit functions to Short Term Unit under reorganization.
4. Progressed toward meeting standards of "individualized" treatment as described in Section 38-13, R.C.M. 1947, as amended; implementation of an individualized treatment program in regard to every patient; continuous evaluation to assure that treatment programming is truly individualized for each patient.
5. Decentralized rehabilitation services in order to bring education and activity programs directly to patients.

6. Fully implemented Children's Treatment Unit educational programs with assignment of teachers directly to Children's Unit; utilization of federal funds to establish VTR, prevocational, and biofeedback training programs.
7. Maintained continuity in undergraduate practicum for psychology students attending Montana State University and University of Montana; planning for graduate level clinical psychology internship program.
8. Developed liaison between Warm Springs State Hospital and patient advocacy groups.
9. Completed survey of psychiatric hospitals in order to provide guidelines for program development, program evaluations, and staff levels.
10. Continued Reality Orientation Program which offers consultation and educational services to various Montana Mental Health Regions, including nursing home facilities.
11. Enabled patient populations within treatment units to act in their own behalf through treatment approaches such as ward government.
12. Planned for Associate Degree Program in Human Services in cooperation with Western Montana College.
13. Abolished regional system and reorganization of clinical services to separate or assign patients according to type of treatment required and to bring about better utilization of facilities and staff; under reorganization several new units were created: Intake Unit, Short Term Treatment Unit, Extended Treatment Unit, Prerelease Unit.
14. Established Quality Assurance Department for program evaluation, policy development, technical assistance, in-service education, and nursing coordination.
15. Continued the transfer of patients to Lewistown Center for the Aged and to Boulder River School and Hospital.
16. Decentralized clinical department.
17. Maintained continuity of care agreement between Warm Springs State Hospital Children's Treatment Unit and Community Mental Health Centers.
18. Established service contracts between Children's Unit and the Great Falls School system.
19. Participated in the undergraduate education of social workers through establishment of a Social Service Practicum Program.
20. Expanded level system of treatment to new units created under reorganization.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Develop improved systems of reporting current diagnostic and treatment services rendered; develop improved methods for program evaluation with emphasis on therapy outcome studies.

2. Clarify the role of Warm Springs State Hospital in relation to the total network of Montana Mental Health Services.
3. Continue development of cooperative education programs involving personnel from University of Montana, Montana State University, and other appropriate Montana educational institutions; establish clinical Psychology Internship Program.
4. Expand Independent Living Program to include four treatment phases.
5. Continue exploring ways and means to improve care and treatment services to seriously mentally ill patients.
6. Continue efforts to reorient institutional services toward the goal of providing active psychiatric treatment to acutely or chronically mentally ill patients, to patients who may require moderate or long-term care, and to patients who present special treatment problems.
7. Provide comprehensive staff development program to increase staff competencies in specific treatment modalities.
8. Provide prevocational assessment and effective vocational training which would result in actual job placement on release. Assessment and training would be available to all patients as appropriate and coordinated with community work placement agencies and resources.
9. Continue participation in the Community Support Program.
10. Reestablish Sensory Integration Program for schizophrenic patients.
11. Continue efforts to provide individualized treatment.

COMMUNITY-RELATED SERVICES PROGRAM Disbursements \$135,521

PROGRAM DESCRIPTION: Warm Springs State Hospital has the responsibility to function effectively as part of the continuum of the statewide system of mental health care and treatment services. The hospital function is coordinated effectively with the community not only in receiving patients requiring the care and treatment available at Warm Springs State Hospital, but in transferring patients to less restrictive environments. Warm Springs State Hospital also provides training, technical assistance and public education to: (a) facilitate readjustment of the patient to the new community environment; (b) assist in reducing the occurrence of inappropriate admission of patients to Warm Springs State Hospital; (c) assure coordination, accountability, and continuity of care between Warm Springs State Hospital and the community; (d) participate in community programs for the maintenance of mental health.

PROGRAM BENEFITS:

1. Maintained coordination between Warm Springs State Hospital and Community Mental Health Centers in regard to preadmission and aftercare planning.

2. Sent questionnaires to community agencies for the purpose of improving the referral mechanism on admission and discharge.
3. Distributed admission policy to community agencies.
4. Continued transfer of patients to Lewistown Center for the Aged, Boulder River School and Hospital, and to other more appropriate or less restrictive settings.
5. Continued reduction of the Warm Springs State Hospital patient census to achieve "deinstitutionalization" objectives of the Montana state Department of Institutions; continued release of inappropriately admitted patients.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Continue cooperative planning for the release of inappropriately admitted patients, including geriatric and developmentally disabled patients who are not seriously mentally ill.
2. Establish maximum coordination and communication between Warm Springs State Hospital and community treatment and aftercare programs.
3. Develop joint agreements between Warm Springs State Hospital and Community Mental Health Centers for administrative decision making.
4. Develop and distribute discharge policy to community agencies.

RECREATION HALL AND CANTEEN PROGRAM Disbursements \$98,918

PROGRAM DESCRIPTION: The Recreation Hall and Canteen Program provides a restful and relaxing area in which patients and visitors may be supplied snacks, fountain services, and sundry items such as candy, tobacco, and chewing gum. The primary objective of the Program is to encourage the rehabilitation of withdrawn patients by allowing opportunities for those patients to make purchases and to participate in activities and responsibilities resembling those encountered in ordinary community living.

PROGRAM BENEFITS: Grammar School in the Recreation Building was phased into the Anaconda School District. This area has been turned into a lounge and occupational therapy area for patients.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Redesign the canteen to make the canteen more compatible with community oriented enterprises.

AGENCY DESCRIPTION:

Under the direction of the Attorney General, the Department of Justice provides the state level leadership and coordination necessary for effective law enforcement and public safety. Statutory authority for the Department is found in Section 82A-1201, R.C.M. 1947. The goals of the Department of Justice are to provide the best possible representation for the public in civil and criminal matters and the best in legal services for state, county, and municipal agencies and their officials. It is a goal to enforce Montana traffic laws and to register all motor vehicles in the most effective and efficient manner possible. Additional goals include providing high quality educational programs for agencies in order to bring offenders of Montana law to justice as quickly as possible, and to enforce the fire safety codes and regulations of the state.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department of Justice has taken steps to implement affirmative action procedures to eliminate discrimination in all aspects of employment and promotion practices. The designation in Fiscal Year 1977 of an equal employment opportunity officer has insured that affirmative action guidelines are adhered to and their employees and prospective employees can file discrimination complaints and be assured that an investigation will follow.

LEGAL SERVICES PROGRAM Disbursements \$353,618

PROGRAM DESCRIPTION: The Legal Services Program is responsible for providing the Attorney General with legal research and analysis and providing legal counsel for officials, bureaus, and boards of state government; to represent Montana's interests in cases before state and federal courts; to interpret laws; and to examine the legality of local bond issues.

PROGRAM BENEFITS: It is beneficial to the state and public, both in terms of cost and efficiency, to have legal services provided for by a staff employed solely to represent the state. The legal advice provided to representatives of local government represents a most important function of this Program, and the benefit to the public is infinite in that local governments are better able to serve their constituents. Furthermore, the opinions issued by the Attorney General are the responsibility of the Legal Services Program and provide guidance in a variety of legal concerns for the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Legal Services Program recommends an effort to shift the emphasis of legal services provided all state departments from that of hiring outside counsel to the use of full-time career attorneys for reasons of accountability, lower overall cost, and management control of the delivery of state legal services. It is suggested that the state establish a back-up pool of state attorneys available as resources when needed by other agencies. Such a pool could operate within the Legal Services Program and provide direct legal assistance for reasonable fees charged to each agency. Thus, the back-up system could pay for itself on a basis prorated equitably among the user agencies.

ESCHEATED ESTATES PROGRAM Disbursements \$19,399

PROGRAM DESCRIPTION: The Escheated Estates Program is responsible for representing the state in legal matters involving money and other property which reverts to Montana in absence of legal heirs.

PROGRAM BENEFITS: The major benefit of the Escheated Estates Program is found in the fact that the revenue produced for the State of Montana through the laws relating to the activities of the division exceed the annual appropriation for the division.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Escheated Estates Program presently consists of one part-time attorney and one part-time secretary. The investigative needs of the program are such at this time that investigative staff of some nature could be utilized.

COUNTY PROSECUTOR SERVICES PROGRAM Disbursements \$146,014

PROGRAM DESCRIPTION: The County Prosecutor Services Program assists county attorneys and local law enforcement officials in investigation and prosecution of major cases; provides local training in current aspects of the criminal law to county attorneys; assists in developing and disseminating standards, procedures and policies which will ensure that criminal laws are applied uniformly; provides a pool of official opinions, legal briefs, and other relevant criminal law information; provides assistance with research, briefs or other technical services requests; applies for and disburses federal funds available to aid the prosecutorial functions; assists city, county, state, and federal law enforcement agencies at their request by providing expert and immediate aid in investigation of felonies; assists various law enforcement schools held in the state when requested; and provides the Law Enforcement Services Division administration and management required to enable these other programs (Criminal Investigation Lab, Law Enforcement Teletype System, Law Enforcement Academy, Fire Marshal and Identification Programs) to operate as a cohesive, integrated, efficient, organizational entity.

PROGRAM BENEFITS:

1. During Fiscal Year 1978, County Prosecutor Services Program (CPS) provided assistance and coordination in the prosecution and investigation of seven major cases throughout the State of Montana. CPS has also provided investigative and prosecution assistance in six special cases involving conflicts of interest. In addition, CPS criminal investigators conducted 29 investigations at the request of state and county officials.
2. CPS has provided, during the past fiscal year, assistance with research, briefs and other technical services requested by county attorneys and law enforcement officials, in addition to assisting in the development and dissemination of standards, procedures, and policies which encourage the application of the criminal law uniformly throughout the state.
3. To provide local training and out-of-state training for prosecutors was emphasized by CPS throughout Fiscal Year 1978. Application for federal

funds resulted in the procurement of approximately \$21,000 of federal funds which were used to provide two in-state training seminars for prosecutors and to fund out-of-state training for 25 prosecutors.

4. The investigators and the attorney assigned to CPS assisted in various law enforcement schools held in the state for law enforcement personnel throughout the fiscal year.

5. CPS maintained a brief bank and revitalized the Montana Prosecutor Newsletter in an effort to consolidate present and past information on important aspects of the criminal law.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: An increase in investigative personnel is needed.

MOTOR VEHICLE ADMINISTRATION PROGRAM Disbursements \$33,776

PROGRAM DESCRIPTION: The Motor Vehicle Administration Program is responsible for the general administration of the traffic enforcement, driver licensing, and motor vehicle registration programs through the Highway Patrol Bureau and the Registrar's Bureau. The Program also coordinated efforts in highway safety for the Department of Justice.

PROGRAM BENEFITS: The Motor Vehicle Division provides policy and program approval, evaluation of traffic enforcement, driver licensing, motor vehicle registration, and highway safety functions for the division. The Program was responsible for preparing, designing, and evaluating the motor vehicle inspection law for Montana; however, the 1977 Legislature relieved the division of its responsibilities of implementing a motor vehicle inspection program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Recommendations for program improvement include the recodification and amending of the motor vehicle code to insure its responsibility to the needs of the general public and state and local government; improvement of the timeliness and accuracy of vehicle, driver, and accident information of use by law enforcement throughout the state; provision of additional enforcement personnel to reduce accidents and fatalities in our state's highways; and provision of better driver control and evaluation.

PATROL OPERATIONS PROGRAM Disbursements \$529,564

PROGRAM DESCRIPTION: General administration of the Highway Patrol Bureau's finances, logistics and supervision of the Patrol's personnel is the responsibility of the Patrol Operations Program.

PROGRAM BENEFITS: Program benefits are found in the planning, coordinating, and directing of the Highway Patrol's personnel to improve its services to the citizens of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional employees are needed to meet the demands of increased volume of traffic, new vehicle registrations, new driver license applicants, and the increasing population of the state.

DRIVER LICENSING PROGRAM Disbursements \$1,399,511

PROGRAM DESCRIPTION: The Driver Licensing Program fosters driver safety by supervision of all drivers who are permitted to operate motor vehicles on Montana roads.

PROGRAM BENEFITS: Benefits are derived from the constant supervision and evaluation of all new and existing drivers within the state through driver license examinations and driver improvement programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional employees are needed to meet the demands of increased volume of traffic, new vehicle registrations, new driver license applicants, and the increasing population of the state.

FIELD SERVICES PROGRAM Disbursements \$4,730,863

PROGRAM DESCRIPTION: The Field Services Program assures that movement of traffic on Montana highways is accomplished as quickly and safely as possible through regulation and supervision of vehicular traffic.

PROGRAM BENEFITS: Program benefits include constant traffic patrol of the highways, accident investigation, mercy details, courtesy service, auto theft investigation, vehicle inspection, livestock inspection, enforcement of commercial vehicle regulations and traffic laws.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Additional employees are needed to meet the demands of increased volume of traffic, new vehicle registrations, new driver license applicants, and the increasing population of the state.

REGISTRAR OF MOTOR VEHICLES PROGRAM Disbursements \$1,056,647

PROGRAM DESCRIPTION: The Registrar's Bureau is responsible for administering the laws set forth in Title 53, R.C.M. 1947, concerning the registration of motor vehicles in a timely, effective, and accurate manner.

PROGRAM BENEFITS: The processing of registration with automated techniques results in: cross reference files available; titles printed automatically and more timely; registration notices being automatically printed and mailed to about one-half of Montana's vehicle owners; and duplications being flagged and corrected by the Registrar's Bureau.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Improving the timeliness and accuracy of information captured and reducing duplication of effort between the counties and Registrar's Bureau will benefit the general public and law enforcement. Other recommendations include aiding the general public to more effectively comply with motor vehicle law; improving the public's response time to legal documents on file by microfilming; assisting with legislation to establish a uniform fee system for assessment of motor vehicles; and working more closely with vehicle manufacturers, lien holders, and other states in establishing uniform forms to improve the process of motor vehicle files.

CRIMINAL INVESTIGATION LAB PROGRAM Disbursements \$264,243

PROGRAM DESCRIPTION: The Criminal Investigation Lab Program is responsible for assisting city, county, state, and federal law enforcement agencies at their request by providing expert and immediate aid in analysis of physical evidence from criminal cases committed in the state.

PROGRAM BENEFITS: The benefit to the public is found in the more effective and professional investigation and prosecution of criminal cases in all 56 counties. Substantial monetary and manpower savings because of assistance in specific cases are also benefits received by the general public.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The recommendations for the Criminal Investigation Lab Program would be to expand its services in the areas of ballistics and document examination. This would require additional staff and equipment.

LAW ENFORCEMENT TELETYPE SYSTEMS PROGRAM Disbursements \$280,567

PROGRAM DESCRIPTION: The Law Enforcement Teletype Systems Program provides the Montana law enforcement and criminal justice agencies with an integrated telecommunications network which interconnects information sources and law enforcement agencies nationwide, including the National Law Enforcement Teletype System and the National Crime Information Center.

PROGRAM BENEFITS: Law enforcement officers are public servants and it is to the general public's benefit that they are provided with rapid communication between like agencies in their own state as well as law enforcement communities throughout the nation. Access to state and/or national computerized files expedites the receipt of pertinent information necessary to execute their mandated duties. Attempt-to-locate-for-emergency messages, road, and weather information are also among the services provided the general public through the law enforcement telecommunications system.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. During these past years, the use of computers in law enforcement telecommunications has greatly increased. This, in turn, has significantly increased not only the capability of the user, but also the complexity of obtaining and dispersing information through the system. Because of this, the state of Montana should require that all user agencies "certify" their terminal operators. The purpose of the certification requirement would be to create a new awareness of terminal capabilities in order to allow law enforcement agencies to obtain maximum use of the law enforcement telecommunications system. It would also minimize the rate of message errors, as well as possible misuse of the system.

2. An expansion of the system program would provide the operators with the capabilities of displaying message formats and system operation procedures on a video screen and would provide greater efficiency and speed, as well as a minimized error rate. In order for this end to be achieved, high-speed video terminals and printers would need to be installed in those agencies where low-speed terminals now exist.

LAW ENFORCEMENT ACADEMY PROGRAM Disbursements \$282,101

PROGRAM DESCRIPTION: The Law Enforcement Academy Program is responsible for providing Montana law enforcement officers with a means of securing additional professional education and training in criminal justice. The Academy's goal of providing high quality professional instruction to Montana's law enforcement personnel is accomplished by providing the best available instruction and resources.

PROGRAM BENEFITS:

1. In Fiscal Year 1978, 56 schools were conducted from which 1,303 peace officers graduated. With more training and increased professionalism, these officers are better prepared to provide quality law enforcement services to the citizens of Montana. Additional benefit is derived from the fact that the Academy is the centralized training facility in the state with the quality of law enforcement training better than if each department had to provide its own training.
2. In order to assist law enforcement agencies with the statutory requirements of Section 11-1855, 11-1859, R.C.M. 1947 (the "Reserve Act"), which became effective July 1, 1977, the Law Enforcement Academy Program acquired a Board of Crime Control grant to provide training assistance. Under this program the Law Enforcement Academy Program provided training aids and equipment to agencies conducting reserve training. The Academy also presented a Reserve Force Coordinators' Course to prepare agency representatives for their duties under the Act. This course was attended by 21 officers.
3. The problem concerning the location of the Academy was resolved by Attorney General Greely. Following his decision to retain the Academy at Bozeman, but off the Montana State University campus, the Gallatin County Commissioners agreed to provide land at the Rosary School site which was acquired by the county in June. An agreement was also reached whereby the Academy would lease eight modular buildings for office, classroom, and dormitory, which will be placed on the Rosary site.

FIRE MARSHAL PROGRAM Disbursements \$186,911

PROGRAM DESCRIPTION: The purpose of the Fire Marshal Program is to reduce the loss of life and property from fire, explosion, and arson.

PROGRAM BENEFITS: The Fire Marshal Program benefits local governmental jurisdictions and the public in arson investigation, fire cause determination, condemnation and removal of fire and explosion hazards, and inspections of public buildings. Through cooperation with local authorities, the Fire Marshal assures public building use and occupancy and that fire and smoke alarm systems and fire protection systems meet recognized acceptable standards. The Fire Marshal also gathers, analyzes, and disseminates fire information data.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The recommendations for program improvement would be the addition of one deputy fire marshal to be assigned to the Glendive area and be responsible for investigations and inspections in eastern Montana.

DEPARTMENT OF JUSTICE

IDENTIFICATION PROGRAM Disbursements \$67,199

PROGRAM DESCRIPTION: The Identification Bureau exists for the purpose of collecting accurate and up-to-date information concerning individuals arrested and convicted of crimes in the State of Montana. The Program seeks to disseminate the accumulated information to interested law enforcement agencies in Montana and throughout the nation.

PROGRAM BENEFITS: The law enforcement community is assisted in the pursuit of its duties by the in-depth information provided them by the Identification Bureau. The public directly benefits from the publication of information distributed on missing persons and unidentified deceased persons.

CENTRAL SERVICES PROGRAM Disbursements \$217,270

PROGRAM DESCRIPTION: The Central Services Program provides the budgetary, accounting, and fiscal support of the Department of Justice.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Direct computer access to the Statewide Budgeting and Accounting System would facilitate Program operations.

DATA PROCESSING PROGRAM Disbursements \$347,584

PROGRAM DESCRIPTION: The Data Processing Program is responsible for supporting all programs within the Department of Justice, with emphasis on the relationship between law enforcement and the Department through the utilization of an automated computer system. The goal of the Program is to provide the Department of Justice with economical and efficient data processing capabilities with which to serve the general public.

PROGRAM BENEFITS: Benefits include a decrease in the amount of time necessary to produce a motor vehicle title upon receipt of application or transfer and improved performance of automated registration.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: It is recommended that the scope of this Program, previously limited by legislative intent in funding, be expanded to include providing information system support to all bureaus within the Department of Justice.

COUNTY ATTORNEY PAYROLL PROGRAM Disbursements \$422,219

PROGRAM DESCRIPTION: The County Attorney Payroll Program is responsible for the reimbursement of the state's one-half share of the County Attorney payroll as directed in Section 25-601, R.C.M. 1947.

PLANNING AND ADMINISTRATION PROGRAM --

BOARD OF CRIME CONTROL Disbursements \$858,994

PROGRAM DESCRIPTION: This Program exists to provide the leadership, operational direction, and fiscal controls which are necessary to satisfy the activities mandated in the Crime Control Act, and the Governor's Policy Initiatives. It is responsible for establishing goals and objectives as

guides for coordinated operations. It conserves and protects assets; records and controls monetary activities; prepares and maintains budgets; insures adherence to state/federal regulations; provides support staff for the Supervisory Board, Regional Advisory Councils, committees and task forces; conducts training workshops for staff in planning, technical assistance, grants management, and project evaluation; and provides for public education and community awareness programs.

The planning portions of this Program encompasses six basic tasks. The tasks and related percentages of total outlay are: Comprehensive State Plan - 39%; Grants Management - 9%; Fiscal Management - 13%; Grant Audit - 3%; Regional Advisory Councils - 22%; and, Project Evaluation - 14%.

The planning staff articulates system priorities, as determined by the Regional Advisory Councils and the Supervisory Board, and allocates funds as directed by the Supervisory Board. The Supervisory Board approved plan is forwarded to the Law Enforcement Assistance Administration (LEAA) for final approval. This process is followed for three separate plans required each year. The primary plan is the Comprehensive State Plan. The second plan places special emphasis upon, and is limited to, the corrections area. The third plan is restricted to the Juvenile Justice System.

PROGRAM BENEFITS: The principal benefit to the general public resulting from this Program is that considerable new fiscal resources, \$2,135,471, were received and judiciously injected into the state and local criminal and juvenile justice system in Fiscal Year 1978, to improve the system and to reduce crime by way of our second program - The Action Program.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: It is recommended that the role of the agency continue to evolve into a more technical assistance and facilitation oriented one as opposed to the past emphasis on funding and grants management. The benefits to local criminal justice agencies and to the public they serve will be numerous and, in particular, will develop the capacities of local agencies and communities to deal more efficiently and effectively with crime with local resources.

ACTION PROGRAM -- BOARD OF CRIME CONTROL Disbursements \$2,763,833

PROGRAM DESCRIPTION: The Action Program exists to improve the criminal and juvenile justice system and to reduce crime in Montana by funding projects and programs as determined in the Comprehensive State Plan for Criminal Justice improvement.

There are ten major activities carried out under the Action Program. The activities and a brief summary of each is as follows:

1. Cooperative Law Enforcement: To assist, by providing funding support, those local governments that elect to fully or partially consolidate city/county law enforcement services to improve efficiency and effectiveness.
2. Crime Specific Planning: To institutionalize, systemwide, crime specific planning techniques at the city/county level of government in high-crime incidence areas.

3. Manpower Development: To support financially manpower development systems for state and local criminal justice agencies.
4. Jail Improvement: To improve general jail conditions and support inmate programs in city and county jails.
5. Crime Prevention: To encourage and involve the general public in crime prevention and crime control programs and activities.
6. Juvenile Justice: To significantly improve community based facilities and programs for youth in trouble.
7. Physical Resource Development: To modernize and upgrade criminal justice facilities and operational equipment.
8. Human Resource Development: To measurably raise the formal educational and training levels of all criminal justice practitioners.
9. Information Systems Development: To design and develop statewide, integrated, comprehensive criminal justice information systems.
10. Offender Treatment Improvement: To develop innovative, comprehensive, treatment models for adult offenders.

These activities are generated in the annual comprehensive plan for criminal justice improvement and the funds allocated to each activity is determined on a yearly basis by the Board of Crime Control.

PROGRAM BENEFITS: The two principal benefits accruing to the general public from this Program are a reduction in serious crimes statewide and an increase in the quality of justice through system improvement efforts.

For the second year in a row, the number of total index crimes (homicide, rape, aggravated assault, robbery, burglary, larceny/theft and motor vehicle theft) has decreased over the previous year. The total of 31,900 index crimes reported is 237 less than the 32,137 reported in the previous year. The major decrease was in property crimes. Burglary and larceny/theft decreased by 4.5% and 1.6% respectively. Overall, a 1.8% decrease in property crime occurred in 1977. The volume decrease in the property crime categories accounted for the continuing general crime decrease in the seven major index crimes. Although property crime showed a 1.8% decrease, reported violent crimes against persons increased by 20.5%.

The overall quality of justice continues to improve through a consistent financial and technical assistance effort aimed at upgrading both human and physical resources and the general performance capacities of criminal justice line agencies. Significant progress and benefits have accrued within the Juvenile Justice System with the increased emphasis in this critical area during the past fiscal year. Montana implemented the state's first statewide effort at removing young people from jails in Fiscal Year 78. The shelter care program, which developed from the Governor's Detention and Shelter Care Plan and subsequent legislation passed in 1977, was funded by the Board of Crime Control and managed by the Department of Institutions.

To date, the program has resulted in a 63% reduction in the number of noncriminal offenders held in jail.

The Youth Justice Council of Board of Crime Control completed task force studies with specific recommendations in the areas of delinquency prevention, and the predispositional care of youth. The findings and recommendations of these efforts are being used to determine priorities for funding, legislation, training initiatives, and policy development.

The state's first statewide information system for youth courts became fully operational this year. Also, the Youth Justice Council continues to coordinate state youth programs by serving as a policy board for the Youth Development Bureau of SRS and the Juvenile Justice efforts of the Board of Crime Control.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. As recommended in the last annual report, additional state and federal funds should increasingly be employed in building a stronger planning and evaluation capacity in both state and local agencies of criminal justice. Additionally, program planning efforts should increase the emphasis on experimentation and research and reduce the emphasis on operating projects.
2. Criminal justice planning should be established as a formal component of local government and supported with local funds, with a firm commitment to examine and plan for all resources within the community criminal justice system. State and federal assistance should be continued or increased in order to facilitate further development of the criminal justice planning functions. Moreover, incentives should be provided to improve the process of planning and its products.

WORKERS' COMPENSATION PROSECUTION PROGRAM Disbursements \$132,379

PROGRAM DESCRIPTION: This Program provides administrative support and legal services to handle the investigation and prosecution of Workers' Compensation cases.

ANTITRUST ENFORCEMENT BUREAU Disbursements \$8,510

PROGRAM DESCRIPTION: The Antitrust Enforcement Bureau provides the state with a vigorous, full-time enforcement of antitrust laws. The Program also supplements the consumer protection activities of the Department of Business Regulation.

AGENCY DESCRIPTION:

The statutory authority for the Department of Labor and Industry under Executive Reorganization is contained in Title 82A, Chapter 10, R.C.M. 1947. The head of the Department is the Commissioner of Labor and Industry, who is appointed by the Governor and subject to confirmation by the Senate.

The Department is specifically concerned with employment, training, labor/management relations, conditions for workers, and employee/employer rights. Its functions include providing services to those actively seeking employment and to employers seeking employees, working to eliminate discriminatory practices and artificial barriers to employment, supervising and enforcing labor laws and worker health and safety standards, and administering state collective bargaining, workers' compensation, and unemployment insurance laws.

The Department consists of the Employment Security Division, the Workers' Compensation Division, the Employment and Training Division, the Labor Standards Division, the Human Rights Division, and the Personnel Appeals Division.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

It is the policy of the Department of Labor and Industry to follow equal employment opportunity laws and regulations in all matters pertaining to personnel, including recruitment and selection procedures, program operation, delivery of services, and the development of personnel policies and procedures. The Department is actively working to review the Affirmative Action/Personnel Plans of the various divisions and to consolidate them into a departmentwide plan.

In addition to working to provide increased employment opportunities for women and minorities, the Department has taken the lead among state government agencies in developing and implementing job-sharing opportunities, offering professional jobs with upward mobility to persons incapable of working a 40-hour workweek.

Two agencies in particular place major emphasis on equal employment opportunity: the Human Rights Division, which administers the Freedom from Discrimination Act and reviews complaints under this Act; and the Women's Bureau of the Labor Standards Division, which works full time to promote equal opportunities for women.

RECOMMENDATIONS FOR DEPARTMENT-WIDE IMPROVEMENT:

1. Continue efforts to coordinate activities of the various divisions, especially in the areas of Affirmative Action/Personnel Plans and Public Information and Education.
2. Continue efforts to increase services and communication to the business and industry sector.
3. Continue to increase coordination among divisions involved in similar programs or joint program operation.
4. Improve communication among divisions to facilitate provision of better, more coordinated interdivisional services to the public.

EMPLOYMENT SECURITY DIVISION

DIVISION DESCRIPTION:

The Employment Security Division exists to meet federal and state social legislation to provide employment, training, and unemployment insurance services for the general welfare of all Montana citizens.

EMPLOYMENT SERVICE AND UNEMPLOYMENT

INSURANCE PROGRAM Disbursements \$66,151,074

PROGRAM DESCRIPTION: This Program provides a wide array of employment, training, and unemployment insurance services to all citizens according to law.

PROGRAM BENEFITS:

1. Registered 111,415 jobseekers for employment and/or other services.
2. Placed 35,095 individuals in 56,296 total job placements in industrial and agricultural jobs, up 12% from Fiscal Year 1977.
3. Obtained 61,225 industrial job openings as a result of 35,156 employer visits.
4. Enrolled 180 new teachers and administrators for teacher placement services and placed 135 in teaching and administrative positions.
5. Provided 49,508 counseling services to aid applicants in vocational choice and job development.
6. Provided special services for 38,395 youth, 11,569 older workers, and 9,475 handicapped workers.
7. Administered 16,819 special tests to determine worker aptitudes and proficiency.
8. Placed 564 young men and women in Job Corps Training; more than 90% of these returned to school, entered military service, or were placed in jobs after completion of training.
9. Processed 63 employer applications for importation of alien workers, with 34 approvals and 29 denials.
10. Enrolled 3,130 persons in the Work Incentive Program (WIN) to raise the number of total program participants to 5,481; placed 1,374 WIN enrollees in jobs for considerable savings of welfare dollars.
11. Attained an enrollment of 1,191 persons in the Concentrated Employment Program (CEP) after 970 new additions in Fiscal Year 1978 in a six-county area; placed 572 in jobs after completion of training.
12. Achieved an enrollment level of 4,230 persons in the Public Service Employment (PSE) programs with a 38% veteran representation. Placed 1,362 in unsubsidized jobs after PSE completion.

13. Provided On-the-Job Training (OJT) for 691 individuals through contracts with private employers, resulting in 548 job placements. Institutional classroom training had 2,312 enrollees with 565 job placements. Adult work experience had 707 participants with 203 job placements.

14. Injected \$34,781,983 into the Montana economy by way of 457,756 unemployment insurance checks under state and federal programs, with the average weekly check amounting to \$75.98.

15. Collected \$29,815,929 in insured employer tax contributions, excluding reimbursable payments, for the state unemployment insurance trust fund.

16. Resolved 1,431 claimant and/or employer grievances through the appeal referee process, and 163 through the higher authority Board of Labor Appeals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Involve more local Job Service offices in the Job Service Improvement Program (JSIP), now active in four of the larger office areas. The JSIP concept solicits and uses employer comments and suggestions to improve both unemployment insurance and employment service operations.

2. Establish more efficient utilization of staff by aggressive review and critique of program goals as set forth in the Fiscal Year 1979 Plan Service. Keep a close watch on problem areas and direction of numerical goals through quarterly self-appraisal system.

3. Increase public awareness of programs and operations by a tie-in with a national publicity campaign to be launched in September, 1978.

WORKERS' COMPENSATION DIVISION

DIVISION DESCRIPTION:

The Workers' Compensation Division administers the Workers' Compensation Act of Montana along with several related statutes. The Division's responsibilities include the administration of the State Compensation Insurance Fund, the monitoring of claims handled by private insurance carriers and self-insurers, the administration of state industrial safety and health laws, and the provision of rehabilitation services to disabled workers.

ADMINISTRATION PROGRAM Disbursements \$1,270,703

PROGRAM DESCRIPTION: The Administration Program is responsible for providing management and support services to the Division. In addition, the Program is responsible for providing rehabilitation services to injured workers and for conducting audits of employer accounts, internal audit reviews, and investigations relating to compliance with provisions of the workers' compensation law. The Program also administers the Crime Victims Compensation Act and the Uninsured Employers Fund.

PROGRAM BENEFITS:

1. Implemented the Crime Victims Compensation Act, which included establishing procedures and rules, designing forms, publicizing the availability of the benefits, and awarding compensation benefits to innocent victims.
2. Implemented procedures to enforce the Uninsured Employers Fund, which included the investigation of alleged uninsured employers and levying of civil penalties as appropriate.
3. Participated with two state and two federal agencies in the Small Business Clinics held in 14 Montana cities. Presented information on workers' compensation coverage requirements to more than 1,200 Montana employers.
4. Distributed thousands of pamphlets to employers and employees explaining workers' compensation coverage requirements and benefits.
5. Conducted the annual Claims Seminar for representatives of the insurance industry, attorneys, physicians and other interested parties.
6. Individually contacted or made presentations to more than 1,400 Montana employers to explain the federal record keeping requirement under the Occupational Safety and Health Act.
7. Rehabilitation counselors met with 478 injured workers to assist them in various rehabilitation efforts.
8. Designed and developed enhancements to the Management Information System, which increased office efficiency and economy, improved claims processing, provided more accurate and up-to-date information and automated manual processes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Continue participation in the Small Business Clinics because of the overwhelming support, as it is a major avenue for providing the necessary information to Montana businesses.
2. Request the Long Range Building Committee and the legislature to allow the State Compensation Insurance Fund to build a new facility.

STATE INSURANCE FUND PROGRAM Disbursements \$16,534,271

PROGRAM DESCRIPTION: The State Insurance Fund Program operates and administers an insurance enterprise, enrolling employers, assigning rates, and paying claims to industrially injured workers.

PROGRAM BENEFITS:

1. Provided prompt, reasonable medical and compensation benefits to the injured workers of Montana.
2. Implemented an automatic premium volume discount system that reduces the amount of premium paid by employers after their premiums reach certain levels.

3. Reduced premium rates in direct savings to employers of about \$2,000,000.
4. Provided workers' compensation insurance to approximately 18,700 Montana employers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Implement an average reserving system to assure uniformity and to increase accuracy when establishing claim liabilities.
2. Create additional expert medical panels to assist the State Fund in evaluating complicated claims and recommending proper treatment.
3. Seek statutory changes that require injured workers to participate in rehabilitation and retraining programs subject to medical and sociological factors.

INSURANCE COMPLIANCE PROGRAM Disbursements \$1,239,063

PROGRAM DESCRIPTION: The Insurance Compliance Program oversees the processing of claims of injured employees or employers covered by private insurance companies, and claims of injured employees of companies that are self-insured.

PROGRAM BENEFITS:

1. Assured prompt, equitable, and uniform delivery of the workers' compensation benefits to 3,600 injured workers.
2. Processed approximately 20,000 new accident claims.
3. Arranged for rehabilitation contracts and pain clinic examinations.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Increase personal interaction with adjusting offices by conducting informational workshops for claims managers, adjusters, and allied personnel.

SAFETY AND HEALTH PROGRAM Disbursements \$571,063

PROGRAM DESCRIPTION: The Safety and Health Program is responsible for providing safety inspections of employers engaged in coal mining, metal, and nonmetal mining and logging. It also provides safety inspections of public agencies and is responsible for inspecting and approving the operation of boilers in the state. The Program also performs advisory inspections for other employers using the federal Occupational Safety and Health Standards and is responsible for licensing boiler and crane operators, certifying coal mine foremen, and conducting safety and health training programs.

PROGRAM BENEFITS:

1. Safety compliance officers and industrial health personnel performed more than 1,100 inspections and investigations at employers' premises in an

effort to eliminate safety and health hazards. This affected 26,450 employees and resulted in 19 serious violations abated and 9,700 nonserious violations abated or scheduled to be abated.

2. Conducted more than 150 training courses in first aid, safety, cardiopulmonary resuscitation, and defensive driving, serving a total of 1,717 people.

3. Boiler inspectors conducted 875 inspections or investigations and reviewed 2,475 insurance company inspections to insure boilers are properly maintained and in the hands of competent operators.

4. Performed more than 300 inspections and investigations of mines in an effort to eliminate the hazards to which employees are exposed in metal mining, quarrying, sand and gravel pits, and coal mining. Other activities included training courses, safety meetings, and examinations of coal mining foremen.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Continue advisory inspection programs for private industry.

2. Schedule compliance officers and inspectors into training programs, when and where such training is available, to keep them aware of changes and to add to their expertise.

3. Update training section by preparing more effective slide presentations covering all aspects of potential hazards.

EMPLOYMENT AND TRAINING DIVISION

DIVISION DESCRIPTION:

The Governor's Employment and Training Council, through the Employment and Training Division, administers the Comprehensive Employment and Training Act (CETA) in Montana. The Council is an advisory body to the Governor, who is the prime sponsor for receipt of federal funds under the Act.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT Disbursements \$29,840,109

PROGRAM DESCRIPTION: The purpose of the CETA program is to provide employment and training opportunities for unemployed, underemployed, and economically disadvantaged persons.

PROGRAM BENEFITS:

1. Provided employment and training opportunities for approximately 18,000 individuals.

2. Created or filled more than 36,000 jobs.

3. Injected or generated more than \$50,000,000 into Montana's economy.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Increased funding of CETA in order to generate greater employment and training opportunities for Montanans as well as to stimulate the state economy.
2. Continue cooperation between existing state agencies and the Services Committee of the Governor's Employment and Training Council to enhance the coordination of employment and training related programs and to identify and eliminate any program duplication.
3. Increase training opportunities for CETA program operators and service deliverers to keep them apprised of changes in, and additions to, the Act.
4. Increase evaluation of CETA programs in terms of affected population groups, identification of problems of discrimination, development of corrective action plans, and expanded follow-up activities.
5. Increase public information efforts to keep the public apprised of CETA programs and to increase awareness on the part of potential participants of programs and services available.

LABOR STANDARDS DIVISION

DIVISION DESCRIPTION:

Composed of the Standards Bureau, the Apprenticeship Bureau, and the Women's Bureau, the Labor Standards Division is responsible for enforcing various state and federal labor laws, overseeing apprenticeship and on-the-job training programs in Montana, and working for the elimination of sexual barriers to employment for women.

STANDARDS BUREAU PROGRAM Disbursements \$232,917

PROGRAM DESCRIPTION: The Standards Bureau is responsible for the supervision and enforcement of various labor laws including: Minimum Wage; Wage Payment Act; Contractor Wage Protection Fund Bond; Restaurant, Bar and Tavern Wage Protection Act; Child Labor Law; Maternity Leave Act; Prevailing Wage Rates in Public Works Contracts; Private Employment Agency Act; and Nurses' Employment Practices Act. The Bureau works to ensure that all employees in the public and private sectors are properly paid and to maintain a policy of standards for workers that will protect their health, efficiency, and general well-being.

PROGRAM BENEFITS:

1. 308 Fiscal Year 1977 claims not completed carried into Fiscal Year 1978.
2. 735 claims processed and closed in Fiscal Year 1978.
3. 389 Fiscal Year 1978 claims not completed and carried into Fiscal Year 1979.
4. 335 field inspections scheduled.

5. 215 field inspections in compliance; 52 not in compliance; 68 not completed.
6. 195 formal hearings held.
7. Wages recovered:

through field inspections:	\$ 17,870
through assigned wage claims:	225,397
through prevailing wage law:	<u>25,538</u>
Total wages recovered in Fiscal Year 1978:	<u>\$268,805</u>
8. 912 persons received recovered wages.
9. Visited or called 1,800 restaurants, bars, and taverns in administering the Restaurant, Bar, and Tavern Wage Protection Act.
10. Processed one Nurses' Employment Act claim.
11. Closed 11 out of 42 complaints filed under the Maternity Leave Act. No money was collected.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Continue to coordinate and consolidate travel with staff of other agencies to reduce cost.
2. Continue to implement better statistical and cost analysis methods concerning people served and cost of these services.
3. Develop a program for more efficient and faster handling of wage claims and files in the Bureau.
4. Reduce travel expenses considerably by assigning resident compliance officers in Billings and Missoula, especially if motor pool cars are made available in those areas.

APPRENTICESHIP BUREAU PROGRAM Disbursements \$115,896

PROGRAM DESCRIPTION: The Apprenticeship Bureau, under state and federal law, is the registration agency for, and has authority over, all apprenticeship and on-the-job training programs in Montana. This Program implements legislation to provide registered training, apprenticeship programs, and related services to the citizens of the state.

PROGRAM BENEFITS:

1. Enrolled 760 apprentices to bring the total of registered apprentices in Montana to 1,754.
2. Enrolled 212 on-the-job trainees into various programs.
3. Prepared and issued Certifications of Completion for 162 OJT trainees and 375 registered apprentices.

4. Cancelled 371 apprenticeship and 120 OJT agreements.
5. Provided 445 new program approvals for veterans' benefits.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Expand rural apprenticeship program opportunities and promotion.
2. Improve all job program development.
3. Expand program service to all existing apprenticeship and OJT sponsors.
4. Provide pre-apprenticeship programs to qualify women into apprenticeship programs in nontraditional occupations.

WOMEN'S BUREAU PROGRAM Disbursements \$51,515

PROGRAM DESCRIPTION: The Women's Bureau works to establish in Montana an atmosphere that will allow women to contribute to society according to their fullest possible potential. This work is undertaken through efforts to improve employability development opportunities, to increase awareness of job opportunities, and to eliminate sexual barriers to employment for women.

PROGRAM BENEFITS:

1. Published monthly newsletter, "Newsbriefs from the Women's Bureau," distributed to more than 550 individuals, groups, and agencies each month.
2. Wrote, published, and distributed educational materials: Montana Women and the Law (1978 edition) and Getting Hired: A Job-Hunting Manual for Montana Women.
3. Produced and directed "51%", a 30-minute monthly television program on KTCM-TV.
4. Developed a weekly radio series, "Women's Window," which will be aired on 20 local Montana radio stations.
5. Presented educational programs to 27 groups throughout the state.
6. Developed and distributed an informational brochure on the services offered by the Bureau.
7. Assisted with the coordination and carrying out of the Montana International Women's Year Conference; attended the National Women's Conference.
8. Assisted in the preparation of Montana Women on the Move, a compilation of statistical information concerning Montana women published by the Research and Analysis section of the Employment Security Division.
9. Provided program supervision to the staff of the Women's Policy Committee.

10. Closely followed important federal legislation that will have an impact on Montana (e.g., displaced homemakers, veterans' preference, domestic violence), and reported the status of this legislation to state officials and to the public.
11. Served as a state, regional, and national resource, upon request, to individuals, agencies, and organizations in their efforts to provide employment and training services to women.
12. Worked with Montana Contractors' Association and the Laborers A.G.C. Training Program in the recruitment and training of women for jobs in the construction industry.
13. Assisted in the development of two new women's resource centers in Montana.
14. Expanded the operations of the information clearinghouse and published a Clearinghouse Resource Catalogue.
15. Maintained an information, counseling, and referral service for women seeking jobs or wishing to file sex discrimination complaints; this served approximately 850 women.
16. Coordinated and provided support for the Department of Labor and Industry's Status of Women Advisory Council and for the Governor's Inter-departmental Coordinating Committee for Women.
17. Participated in several task forces, councils, and committees within state government to ensure equal opportunity for women in state programs.
18. Worked with the staff of the Women's Policy Committee to develop a statewide survey of women to provide demographic and attitudinal information about Montana women.
19. Held a statewide meeting with representatives of private foundations and federal agencies concerning the development and submission of funding proposals directed toward enhancing Bureau capabilities for serving the public.
20. Brought to the attention of employees and employers the advantages and opportunities inherent in job-sharing. The Bureau was directly involved in the development of four job-sharing arrangements within state government during the past year. This concept involves the workload of one position being divided between two half-time employees.
21. Submitted formal comments to the U.S. Department of Labor on its proposed regulations for women in apprenticeships and in the construction industry; urged other agencies, individuals, and organizations to send in their comments.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Obtain an earmarked revenue account for use by the Bureau so that a small charge could be collected for Bureau educational materials. If this account were in place, the money collected could be used to pay for postage and reprinting of educational materials such as Women and the Law and Getting Hired.
2. Develop and provide employment awareness workshops and career planning clinics for women in all areas of the state.
3. Develop a series of workshops for women having problems getting into the labor force.
4. Develop and make available educational materials on job rights and equal credit opportunities for women.
5. Develop and find funding for a job-hunting manual for women in nontraditional employment.
6. Develop and find funding for a statewide career/job counseling service for rural women.
7. Conduct a statewide conference on women and work in order to determine needs and to share information among working women, legislators, and service providers.

WOMEN'S POLICY COMMITTEE Disbursements \$12,800

PROGRAM DESCRIPTION: The Women's Policy Committee has been set up by the Commissioner of Labor and Industry for three purposes:

1. To gather information that will influence the development and coordination of state policies and programs concerning women.
2. To provide continuing review of departmental programs that have an impact on women in both the public and private sectors.
3. To serve as a planning body for the review and refinement of programs and legislation designed to curb job discrimination and to expand employment rights and opportunities for Montana women. Projects conducted by the Women's Policy Committee are to serve as prototypes for other states interested in making governmental services more responsive to public need.

PROGRAM BENEFITS:

1. Undertook a study of local Job Service offices to recommend alternative procedures for counseling, recruitment, screening, referral, and job development in order to make Job Service programs more beneficial to women.
2. Undertook a statistical assessment of registrants of the Job Service to determine wage level of placements and other factors.

3. Surveyed registrants of the Job Service to determine potential differences in impact of services offered to men and women seeking employment.

4. Undertook a study of the Women's Bureau to recommend policies and procedures that would make the Bureau more responsive to the special needs of women. This study included surveys of people who used Bureau services during Fiscal Year 1978, and also surveys of state legislators.

5. Conducted a survey of Montana women to determine attitudes toward employment and training and to identify needs that could be better served by special programs of the Department of Labor and Industry.

6. Undertook a study of the Apprenticeship Bureau and new federal Equal Employment Opportunity regulations for apprenticeships to encourage greater access for women into these programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Implement a policy of continuing review, by the Women's Policy Committee, of all departmental programs to gauge their impact on women and minorities.

2. Review and begin implementation of recommendations provided by staff during the specially funded year of study.

3. Continue to work with the Women's Bureau, the Status of Women Advisory Council, the Governor's Interdepartmental Coordinating Committee for Women, the Commissioner's Intradepartmental Coordinating Committee for Women, and the Department's Affirmative Action staff in the development and implementation of policies and programs as a means of responding to the employment and training needs of Montana women.

HUMAN RIGHTS DIVISION Disbursements \$193,766

DIVISION DESCRIPTION: The Human Rights Commission is a quasi-judicial board that seeks to eliminate discriminatory practices in employment through conference, conciliation and, as necessary, hearings. The Commission, through the Human Rights Division, is responsible for programs initiated for the purpose of broadening the base of job recruitment, promoting equal opportunities, augmenting educational programs that seek to eliminate discrimination, and encouraging and enforcing compliance with the Freedom from Discrimination Act.

PROGRAM BENEFITS:

1. 308 complaints of discrimination were received in Fiscal Year 1978; 268 of these were settled (34 no jurisdiction, 41 withdrawals, 62 administrative closures, 73 findings of no cause, 57 conciliations, and 1 declaratory ruling).

2. The annual conciliation amounts as per Equal Employment Opportunity Commission guidelines totaled \$179,135.

3. Other conciliation agreements included changing of discriminatory policies and offering of positions.
4. A "Business Rights Line" was established and answered 88 inquiries from the business community.
5. Approximately 1,300 inquiries were received, 308 of which resulted in discrimination complaints. Phone calls resolved some of these prior to filing; others were referred to proper agencies within state government.
6. 208 personal interviews were conducted.
7. 92 public appearances were conducted, including speeches, workshops and seminars. Approximately 3,600 people participated.
8. A Rapid-Charge Processing system was developed, reducing backlog.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. A hearings officer is needed to expedite cases set for hearing.
2. With the loss of VISTA personnel, an additional investigator is needed.
3. The Division is currently studying implementation of a backlog reduction process. The Rapid-Charge Process coupled with the Backlog Reduction Process should eliminate backlog, thus benefiting both the charging party and the respondent.
4. Contracts for professional fact finders are being explored as a method to expedite case resolution and to decrease cost.

PERSONNEL APPEALS DIVISION Disbursements \$264,423

DIVISION DESCRIPTION: The Board of Personnel Appeals, through the Personnel Appeals Division, administers Montana's Collective Bargaining Act for Public Employees, handles classification appeals for state government employees, and hears employee grievances for employees in the Departments of Highways and Fish and Game.

PROGRAM BENEFITS:

1. Provided services for 19 representation elections, 49 mediations, 11 fact findings, 33 unfair labor practice charge resolutions, and 29 grievance arbitrations.
2. Handled 95 classification appeals.

RECOMMENDATIONS FOR IMPROVEMENT:

1. Improve the quality and acceptability of fact finding and arbitration by developing a more appropriate screening process for admission of persons to the Board's ad hoc fact finding and arbitration panels.
2. Improve the classification appeals process by developing a method of resolving more appeals prior to the formal hearing stage.

COMMISSIONER'S OFFICE PROGRAM Disbursements \$59,686

PROGRAM DESCRIPTION: The Commissioner of Labor and Industry is responsible for performing the overall administrative services for the Department of Labor and Industry, which is comprised of the following six Divisions: Employment Security, Workers' Compensation, Labor Standards, Personnel Appeals, Human Rights, and Employment and Training.

CENTRALIZED SERVICES PROGRAM Disbursements \$240,054

PROGRAM DESCRIPTION: The Centralized Services Program provides accounting services to the Labor Standards, Personnel Appeals, Human Rights and Employment and Training Divisions. This function also provides clerical and other support services to the Labor Standards, Personnel Appeals, and Employment and Training Divisions.

AGENCY DESCRIPTION:

The Department of Livestock consists of two major divisions: the Animal Health Division is responsible for control and eradication of animal diseases, and the prevention of the transmission of animal diseases to humans; the Brands-Enforcement Division is responsible for the protection of the livestock industry from theft and predatory animals.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

After one year of experience with our initial employee evaluation system, we completely revised the format to improve its usefulness to both supervisors and employees. Recruitment and promotions were conducted in conformity with our Affirmative Action Plan. Thirteen women were either promoted or had their positions upgraded, and one handicapped man was promoted.

CENTRALIZED SERVICES PROGRAM Disbursements \$169,607

PROGRAM DESCRIPTION: The Centralized Services Program is responsible for the accounting, budgeting, payroll, personnel, purchasing, and general service functions for the Department of Livestock.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Ways should be found to reduce the amount of record keeping and paper work required to comply with E.E.O., Affirmative Action, and position control.

ANIMAL HEALTH ADMINISTRATION PROGRAM Disbursements \$72,056

PROGRAM DESCRIPTION: The Animal Health Administration Program is responsible for providing central direction to the programs within the division, and maintaining a working liaison with Montana veterinarians, livestock producers, and animal health officers of other states and the federal government. This Program responds to the needs of all bureau recommendations for Board of Livestock judgment.

PROGRAM BENEFITS:

1. At the direction of the Board, an ongoing review was initiated toward the reorganization of the various bureaus within the Animal Health Division to maximize their efficiency in meeting their statutory requirements.
2. The Disease Control Bureau was reorganized to more adequately meet the present day needs.
3. Several Board of Livestock bimonthly meetings were held, as well as Montana Administrative Code Rule change hearings.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Animal Health Administrative Program should be abolished and the cost allocated to the bureaus: 50% to Disease Control Bureau; 40% to Diagnostic Laboratory Bureau; and 10% to Milk and Egg Bureau.

DISEASE CONTROL PROGRAM Disbursements \$475,977

PROGRAM DESCRIPTION: The Disease Control Program is responsible for the prevention, control, and eradication of animal diseases; safeguarding the health and food production capacity of the state's livestock and poultry; and preventing the transmission of animal diseases to man (zoonosis).

PROGRAM BENEFITS:

1. A marked reduction in the incidence of bovine brucellosis occurred, as a 58% reduction in the quarantine herds from the previous year was recorded.
2. The Disease Control Bureau was reorganized to increase its efficiency in monitoring the import/export of livestock in Montana, and to implement the newly instituted permit system on all livestock imported into Montana.
3. A program designed to prevent the introduction of cattle scabies was instituted and the state of Montana achieved status of "Bovine Tuberculosis Accredited Free Area."

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The office of field services should be coordinated to provide more complete inspection of cattle and to enforce the permit system to prevent the introduction of animal diseases into Montana.

MILK AND EGG PROGRAM Disbursements \$131,457

PROGRAM DESCRIPTION: The Milk and Egg Program insures that eggs, milk, and milk products sold or manufactured in Montana are fit for human consumption and for transportation in interstate commerce.

PROGRAM BENEFITS:

Montana continues to enjoy a safe and wholesome milk supply, dairy products and egg supply. The marketability of these products for interstate commerce has been guaranteed. The number of inspections per premise has increased, thereby assuring a sustained commitment to consumer protection.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: This Program should be evaluated to determine areas where more cooperation between the other bureaus and agencies within state government can be achieved.

DIAGNOSTIC LABORATORY PROGRAM Disbursements \$373,749

PROGRAM DESCRIPTION: The Diagnostic Laboratory provides a full service laboratory facility and staff to provide diagnostic services for livestock disease control, zoonotic diseases, and to aid by tests and analysis the wholesomeness of fluid milk and manufactured dairy products.

PROGRAM BENEFITS:

1. Modification of the data processing program for the Laboratory was accomplished.
2. Laboratory service of new test procedures for Eastern, Western and Venezuelan Equine Encephalomyelitis and Equine Rhinopneumonitis was initiated.
3. A cooperative program of milk testing was begun for the Milk and Egg Bureau and DHIA on contract.
4. Capability of laboratory analysis of toxaphene samples was negotiated and instituted with the chemistry section on the Montana State University campus.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Greater coordination of day-to-day work with the Veterinary Research Laboratory of Montana State University is needed in a broader study of the diseases of Montana livestock as a team approach to applied research and field trial disease control.
2. The addition of a specialist for virus study direction is a must in the microbiology section.

INSPECTION AND CONTROL PROGRAM Disbursements \$1,121,212

PROGRAM DESCRIPTION: The Inspection and Control Program is responsible for theft investigations, stray livestock investigations, brand inspections, and dealer licensing.

PROGRAM BENEFITS: There are 70,000 recorded brands in Montana. This Program provides producers of livestock with protection against theft, stray livestock, and sale of unauthorized livestock, as well as sale of livestock to unauthorized and unbonded licensed dealers.

PREDATORY ANIMAL CONTROL PROGRAM Disbursements \$177,455

PROGRAM DESCRIPTION: The Predatory Animal Control program is designed to offer protection to the livestock industry by reducing killing and/or injury caused by certain types of predatory animals to domestic livestock. It is also designed to alleviate problems caused by some species which may endanger human health or safety, particularly the coyote which may carry the bubonic plague.

PROGRAM BENEFITS: Through the aerial hunting permit system, the M44 permit system, and the use of two full-time helicopters along with a master project agreement with the U.S. Fish and Wildlife Service, the livestock producers in Montana are offered protection for their livestock from predation by certain predatory animals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Efforts to obtain authorization to use 1080 for predator control in Montana should be continued.

RABIES AND RODENT CONTROL PROGRAM Disbursements \$61,764

PROGRAM DESCRIPTION: The Rabies and Rodent Control Program is conducted to develop and coordinate with counties to control noxious rodent pests that are responsible for the destruction of food fiber or natural resources, and, at the same time, to prevent disclosure of rabies in domestic livestock and man.

PROGRAM BENEFITS: Many county employees, livestock producers, and farmers are trained to conduct rodent control. Also, studies are being made in the area of the use of 1080 grain bait to control Columbian ground squirrels, as well as different methods of application to control rickets in ground squirrels.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Efforts to obtain authorization to use 1080 on rodents in Montana should be continued.

AGENCY DESCRIPTION:

The Department of Military Affairs is responsible for the administration, training, and supervision of the Army National Guard and the Air National Guard through separate bureaus. The Office of the Adjutant General was originally created by Chapter 191 of the 1919 Laws of Montana. The Department goals are to provide for the protection of life and property, preservation of the peace, maintenance of order, and public safety within the state, and provide trained and equipped National Guard units to supplement the regular Army and Air Force in times of national emergency.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The National Guard maintained a Race Relations/Opportunity Branch in State Headquarters, Montana Army National Guard, with three officers and three enlisted persons assigned to these duties. A similar section with three officers and three enlisted persons exists in Headquarters, 163rd Armored Cavalry Regiment. Two officers and one noncommissioned officer are assigned to the Social Actions Section of the 120th Fighter Interceptor Group, Montana Air National Guard.

Women's program coordinators have been appointed to represent female employees of the state and the federal civil service of this department. The number of women in the National Guard continues to increase as a result of positive recruiting efforts. In June, 1978, the first two female graduates of the Montana Army National Guard Officer Candidate School were commissioned Second Lieutenants.

ADMINISTRATION PROGRAM Disbursements \$143,547

PROGRAM DESCRIPTION: The Administration Program provides administration and supervision for the Army National Guard, Air National Guard, and Disaster and Emergency Services programs, and includes general supervision and centralized services. It includes salaries of the Adjutant General, Assistant Adjutant General, and secretarial and clerical personnel.

PROGRAM BENEFITS: Accurate and effective fiscal records are maintained. Ever increasing quantities of reports are prepared and submitted to other departments of state government. Approximately 33,800 personnel records of present and former National Guard members are maintained.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Upgrade microfilm reader and printer equipment.

ARMY NATIONAL GUARD Disbursements \$481,900

PROGRAM DESCRIPTION: The Army National Guard of Montana consists of approximately 2,100 members in 35 units located in 25 communities. Continuous recruiting is required to attain authorized unit strength with the goal of maintaining the strength that will be supported by the federal government. Training standards are set by the Department of the Army to provide the maximum possible readiness for the federal mission which will, in turn, result in troops trained for protection of life and property in a state emergency.

The Army National Guard provides units and individuals with the maximum training which can be scheduled during 12 weekend training assemblies of at least 16 hours each and annual training of at least 15 consecutive days. This is supplemented by individual attendance at Army service schools and by extension courses (correspondence). Most of the funding for these objectives is provided by the federal government. The greatest state expenditure is for the operation and maintenance of training facilities and unit armories.

PROGRAM BENEFITS:

1. The National Guard provides trained and equipped National Guard units for state emergency duties as directed by the Governor, and to supplement the active forces in times of national emergency.
2. The number one priority during the fiscal year was to attain and maintain authorized strength. Although there were over 500 new enlistments and reenlistments, the strength as of July 1, 1978, was only 81% (2,063) of the authorized 2,563. It appears that some types of incentives are going to be necessary if the Montana Army National Guard is going to maintain full strength in a no-draft environment.
3. The 3669th Heavy Equipment Maintenance Company from Helena deployed to Mannheim, Republic of West Germany. This was the first company-sized unit of the Montana Army National Guard to train outside the continental United States.
4. The establishment and conducting of Basic Airborne Qualifications Course at the United States Forest Service Aerial Fire Depot in Missoula marked inauguration of a training program heretofore the exclusive right of the active Army. Hq. and Hq. Det., 6th Special Forces Bn. (ABN), hosted and administered this successful program with support from other Montana Army National Guard units.
5. The Montana Army National Guard Officers Candidate School graduated 18 new Second Lieutenants while the Noncommissioned Officer's School had 33 graduates.
6. 260 officers and enlisted men attended various Army service schools during the year.
7. Progress continues on improvements to our Weekend Training Sites (WETS) at Fort Harrison and Townsend. Numerous buildings at Fort Harrison have been rehabilitated. During the last year, new live firing ranges were constructed at Townsend to implement the Army's new Training and Evaluation Program; the addition of a large vehicle security compound, and helicopter landing pads to support helicopter aerial gunnery have greatly enhanced our training capability at Townsend. The training at Fort Harrison and Townsend were utilized on 27 weekends throughout the year by units of the Army National Guard, Army ROTC from MSU and UM, active Air Force from Malmstrom AFB, and the Army Reserve.
8. The Montana National Guard was alerted for possible duty at state institutions on three occasions, from February 9 to 18, 1978, during

blizzards in northern and eastern Montana, and from May 20 to 27, 1978, when helicopters and aircrews performed evacuation, resupply, and relief missions due to the flooding in southeastern Montana. A continuing program is that of closely working with county and state officials in preparing, testing, evaluating, and implementing disaster relief plans.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Provide incentives for recruiting and retention of members:
 - a. State income tax exemption for training assembly and annual training pay.
 - b. Establishment of monetary educational assistance for younger members of the University System or Vo-Tech Centers.
 - c. Payment of an enlistment and/or a reenlistment bonus.
2. Obtain and support a field training area in the Glasgow vicinity.

AIR NATIONAL GUARD Disbursements \$240,620

PROGRAM DESCRIPTION: The Air National Guard of Montana consists of approximately 850 members in the 120th Fighter Interceptor Group located at Great Falls International Airport, and a small state headquarters of 12 members at Helena. Continuous recruiting is required to attain authorized unit strength with the goal of maintaining that strength within the limits supported by the federal government. Training standards are established by the Department of the Air Force through the Aerospace Defense Command to establish the maximum possible readiness for the federal mission which, in turn, results in troops available for the protection of life and property in a state emergency. The unit maintains a 24-hour-a-day aircraft alert with aircraft available to respond within minutes to an enemy threat over Montana, North Dakota, and Canada.

PROGRAM BENEFITS: The 120th Fighter Interceptor Group, Montana Air National Guard, at Great Falls, again lived up to its reputation of being an outstanding unit. Several honors were received to substantiate this. The unit was selected for the third time to participate in the Aerospace Defense Command William Tell weapons firing competition (F-106 category), having won two previous competitions. At the end of the year, notification was received that the 120th would again be the National Guard Bureau's nominee for the coveted Hughes Trophy and that the unit was selected to receive one of five Distinguished Unit Plaques from the National Guard Bureau.

Noteworthy accomplishments were as follows:

1. Received a satisfactory rating in the last Aerospace Defense Command Operational Readiness Inspection.
2. Personnel strength of 94% including 55 women.

3. Airmen fully qualified in their jobs - 88%.
4. Aircrews fully qualified - 100%.
5. Weekend training attendance - 98.1%.
6. Lowest NMCS (not mission capable supply) - 1.07%.
7. Flying hours allocation utilization - 100%.
8. For the second consecutive year, received an equipment management rating of "Outstanding".
9. For the 8th year conducted crash/fire rescue school for state firemen.
10. Conducted 15 flyovers and 10 F-106 static displays.
11. Continued monthly C131 courier service for the Armed Forces Courier.
12. Accomplished an 11% reduction in energy consumption from 1975 base year.
13. Facility improvements activity: Base Supply Warehouse - \$689,000

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Recruiting continues to be a major problem area. It is therefore recommended that incentives to be provided for obtaining recruits and for retention of members. These might include:

1. State income tax exemption for training assembly and annual training pay.
2. Establishment of monetary educational assistance for younger members at units of the University System or Vo-Tech Centers.
3. Payment of an enlistment and/or re-enlistment bonus.

EMERGENCY SUPPORT PROGRAM Disbursements \$26,327

PROGRAM DESCRIPTION: The Emergency Support Program provided National Guard members and units on state active duty for use as directed by the Governor in emergency situations and as authorized by Montana's Constitution. The Program's goal is to provide necessary assistance to minimize loss of life and property in emergencies declared by the Governor.

PROGRAM BENEFITS: National Guard members responded to two emergencies declared by the Governor. The first of these was during the period of February 9 to 18, 1978, when personnel and equipment, principally helicopters and crews, were pressed into service during blizzards in northern and eastern Montana. From May 20 to 27, 1978, helicopters and aircrews performed evacuation, resupply, and relief missions due to the flooding in southeastern Montana.

DISASTER AND EMERGENCY SERVICES DIVISION

DIVISION DESCRIPTION:

The Division of Disaster and Emergency Services is responsible for the preparation, implementation, and maintenance of comprehensive plans and programs; coordinated with all levels of government, which outline preventive, preparedness and recovery measures to minimize injury and damage caused by all types of disasters.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

An Equal Employment Opportunity Advisory Committee was established within the Department of Military Affairs consisting of both state and federal employees. It is to serve as a principle means of communication between this Division and the Department of Military Affairs on such problems as (1) status of EEO plans covering state employees of the Department; (2) lack of career ladder for state employees due to the relatively few positions in the Department; (3) lack of advancement opportunities for state employees of the Department in the Federal National Guard Technician Program as a result of the restrictive provision of a labor contract.

DISASTER AND EMERGENCY SERVICES

COORDINATION PROGRAM Disbursements \$212,177

PROGRAM DESCRIPTION: The Program coordinates all emergency preparedness programs in order to provide for the survival of the populace of Montana during any type of disaster.

PROGRAM BENEFITS: This Program administers all federal contracts for the agency; and manages the state's efforts in civil preparedness training and exercises, in the allocation of federal excess equipment, and in requests and disbursements of federal financial aid to political subdivisions to increase their operational readiness capability. In addition, assistance and advise is given to all political subdivisions of this state to help them execute their disaster and emergency service responsibilities. This year's disaster request included state declarations for fire, drought, winter storms, and mosquitoes; and a Presidential Disaster Declaration for major flood relief.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Consolidation of all the state agencies' communications systems into one facility with central dispatch capabilities is recommended. This would eliminate the existing duplication of systems, personnel and space; as well as provide coordination of state personnel and resources during emergency situations which would increase our ability to provide for maximum public safety and protection of property.

EMERGENCY DISASTER RELIEF PROGRAM Disbursements \$381,710

PROGRAM DESCRIPTION: The Emergency Disaster Relief Program was set up explicitly to record and insure the proper distribution of all federal disaster relief funds to the public entities involved as authorized by Presidential Disaster Declaration.

PROGRAM BENEFITS: All federal disaster relief funds for public entities must be handled through the State Coordinating Office. This Program is the means of maintaining proper accounting records. Twenty-one projects for the 1975 Presidential Disaster Declaration for flood relief were completed, while initial advance payments on the estimated \$4 million flood relief payments to affected political subdivisions for the May, 1978 disaster were processed.

CIVIL DEFENSE CALIBRATION AND MAINTENANCE

PROGRAM Disbursements \$41,110

PROGRAM DESCRIPTION: This Program is designed to manage, operate, and coordinate an overall radiological preparedness program for the State of Montana in preparation for nuclear incidents.

PROGRAM BENEFITS: Classes on hazardous material identification and handling, radiological monitoring, and radiological defense have been held throughout the state to assist local government in meeting their nuclear responsibilities. To keep vital radiological instruments in working condition, the exchange and servicing of prepositioned instruments was also continued.

CIVIL DEFENSE CRISIS RELOCATION PROGRAM Disbursements \$44,453

PROGRAM DESCRIPTION: This Program provides planning for the relocation of about 220,000 Montana citizens from high risk target areas to less vulnerable locations; and it addresses sheltering of the state's entire population from radioactive fallout.

PROGRAM BENEFITS: Past years' efforts have centered on data collection and plans for movement, reception and care of over 60,000 risk area residents to Missoula and Flathead Counties; and 15,000 risk area residents to Hill County. Also, shelter information for four "host" counties was updated.

NATURAL DISASTER RESPONSE PROGRAM Disbursements \$70,297

PROGRAM DESCRIPTION: This is a short-term program specifically designed to develop a State Natural Disaster Response Plan for relief and assistance for individuals, businesses, institutions, and state and local governments suffering losses as a result of natural disasters and emergencies, including long-range recovery as reconstruction assistance.

PROGRAM BENEFITS: The following natural disaster related plans were completed: (1) Drought Contingency Plan; (2) Administrative Plan for Individual and Family Grant Program; and (3) final draft of new State Disaster and Emergency Plan. In addition, a "Handbook for Applicants" on use of the Governor's Disaster and Emergency Fund was developed and utilized during the Fiscal Year 1978 winter storms. The Governor's Ad Hoc Earthquake Hazard Mitigation Advisory Committee was also established.

CIVIL DEFENSE TRAINING AND EDUCATION PROGRAM Disbursements \$-0-

PROGRAM DESCRIPTION: In an effort to assist local government to meet their responsibilities, this Program provides guidance and management training

for local civil preparedness professionals; and also provides for the introduction of disaster administration concepts into regular school curriculums.

PROGRAM BENEFITS: This federal contract was not renewed since Congress did not appropriate funding. Partial program responsibilities for training of local civil preparedness professionals have been taken over by the Disaster and Emergency Services Coordination Program.

LOCAL CIVIL DEFENSE REIMBURSEMENT PROGRAM Disbursements \$270,821

PROGRAM DESCRIPTION: This Program was set up specifically to record disbursement of federal civil defense grants to local political subdivisions.

PROGRAM BENEFITS: Since the federal government requires that the state act as a disbursing agent for civil defense grants to political subdivisions, this Program provides the accounting mechanism to handle this requirement.

AGENCY DESCRIPTION:

By performing its many statutory responsibilities concerning Montana's land, water, forest, and fossil fuel resources, the Department of Natural Resources and Conservation (DNRC) assists in maintaining and enhancing the quality of life in our state. Resources are managed and their development assisted to answer human needs and achieve economic well-being. Safeguards are provided so that development activities do not impose undue impacts upon the human or natural environment, unavoidable impacts are mitigated, and the resource needs of future generations can be met.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The agency affirmative action plan was revised, and the plan was approved by the Equal Employment Opportunity (EEO) Section of the Montana Department of Administration. Copies of the plan have been distributed and made available to all agency personnel. Review of all personnel actions was continued; a check for compliance with EEO regulations ensures that all decisions are free of discriminatory practices. Specific procedures were developed to ensure that all supervisors are aware of EEO and the need for gathering related data when employment, promotion, and transfer decisions are made. Position vacancies were advertised with the job service, women and minority recruitment sources, University System, and other selected sources. All position announcements encouraged application from female, minority, and handicapped candidates. The agency women's committee held regularly scheduled meetings and considered EEO and related matters. Close liaison was maintained with the EEO section to review administrative questions and changes in the EEO program. Training announcements were circulated among all employees, and women were supported and encouraged to enroll in courses for women in management and professional development.

CENTRALIZED SERVICES PROGRAM Disbursements \$1,110.200

PROGRAM DESCRIPTION: Managerial and administrative support services essential for the effective operation of all DNRC divisions are performed through the Centralized Services Program. Areas of responsibility include budgeting and accounting, purchasing, systems analysis and data processing, inventory, legal counsel, personnel, library, public information and involvement, technical writing and editing, and cartography.

PROGRAM BENEFITS:

1. The Centralized Services Program exists primarily to assist and oversee all operations of the DNRC and, therefore, serves the public indirectly through the DNRC's various programs. It also serves as a focal point for public information, inquiry, and input into natural resources issues which affect the citizens of Montana.
2. The state's Young Adult Conservation Corps Program (YACC) and the Youth Conservation Corps Program (YCC), funded with federal and local matching funds, are administered through the Centralized Services Program. The DNRC contracts with local governments or private nonprofit service groups to operate these programs. YACC employed 34 young people, ages 16 to 23, for its year-round program. YCC, an eight-week nonresidential program employed 102 young men and women, ages 15 to 18, for summer conservation work on public nonfederal lands.

OIL AND GAS CONSERVATION PROGRAM Disbursements \$376,448

PROGRAM DESCRIPTION: The Oil and Gas Division of DNRC administers the oil and gas laws of the State of Montana to prevent wasteful or harmful practices in the recovery of oil and gas resources. This Program includes classifications of wells, well inspections and investigations, issuance of drilling permits, engineering studies, establishment of well spacing units, secondary recovery programs, pooling orders, and maintenance of a core depository, a drill cutting depository, and an individual well data library.

PROGRAM BENEFITS:

1. The conservation practices set forth by the Board of Oil and Gas Conservation promote drilling in Montana that will lead to the additional discovery and production of much needed oil and gas. The public directly benefits by the use of these fuels, the tax revenue generated; the jobs and general economic stimulation, and the prevention of spills, groundwater pollutions, and other negative environmental effects.
2. The potential of major reserves of oil and gas along the Overthrust Belt of western Montana continues to accelerate activity in the area. The highest bonus total in nine years came at the December, 1977, sale of oil and gas leases on Montana state lands. More than 60% of the total tracts offered were in the Overthrust Belt area. Considerable interest was also shown in subsequent lease sales in March and June.
3. There were 678 wells drilled in Montana in 1977. The 172 wildcat wells drilled included 11 oil and 7 gas field discoveries and 17 significant field extensions. A total of 506 development wells resulted in 220 gas and 98 oil well completions.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Active exploration in the Overthrust Belt of western Montana is expected in the next biennium. When this occurs, two additional field representatives should be hired as required to properly monitor seismic, drilling, and development activities.
2. The building being constructed in Billings to house the technical staff and drill cuttings library is designed to centralize storage of all well records, production data, docket proceedings, etc. Two clerical positions should be filled to maintain and supervise these files which are used extensively by the public to generate more drilling prospects.

RESOURCE DISTRICT SUPERVISION PROGRAM Disbursements \$259,375

PROGRAM DESCRIPTION: The Resource District Supervision Program supervises, assists, and coordinates local conservation districts in their efforts toward property development and management of land and other resources.

The Sediment Control Program assists in achieving compliance with federal water quality objectives, emphasizing a district level water quality program.

The purposes of the Rangeland Resources Program are to improve rangeland condition and coordinate federal, state, and local range management efforts.

Under the Watershed Planning Program, state review is made of the small watershed projects assisted and partially funded by the Soil Conservation Service of the U.S. Department of Agriculture under Public Law 566.

The Cooperative State Grazing Districts Program assists and advises grazing districts regarding the conservation, protection, restoration, and proper use of grass, forage, and range resources.

PROGRAM BENEFITS:

1. During Fiscal Year 1978, the Resource District Supervision Program continued to assist 14 conservation districts in the Yellowstone River Basin concerning water reservation applications. Counsel was provided to all conservation districts on water reservations, district elections, administration of the state Streambed and Land Preservation Act, and other miscellaneous resource conservation practices and projects. Conservation districts were asked by the Soil and Conservation Service for assistance in preparing an inventory of natural resources on privately owned lands. Recent contact with districts indicates that they will sign an agreement to implement the federal 208 nonpoint pollution control program in cooperation with DNRC and the Montana Department of Health and Environmental Sciences. Funds were disbursed to the districts from the legislative appropriation for the biennium to enable districts to fulfill new responsibilities resulting from state and federal legislation. The Resource District Supervision Program helped coordinate the efforts of the Bureau of Land Management (BLM) and the Montana Department of State Lands in preparing an environmental impact statement on range management activities within the BLM Beaverhead district. General public hearings were held on additions to conservation district boundaries.

2. The primary benefit of the Sediment Control Program during Fiscal Year 1978 was helping to demonstrate to the public that a conservation district (in this case, the Lewis and Clark Conservation District), having formulated and obtained voter approval of ordinances providing for increased control of damage caused by sediment (including loss of soil), can improve compliance with water quality standards.

3. Information was provided to the Montana Rangeland Resources Committee and to county range leaders in administering the Rangeland Resources Act. The Rangeland Resources Program also assisted in organizing youth range camps, county rangeland inventories, range tours, fair displays, and cost-sharing programs for range developments. Range management planning was promoted, and the number of acres of range being plowed for crops was monitored. Efforts were coordinated between the Montana Rangeland Resources Program and the Old West Regional Range Program. Assistance was given in preparing a formal memorandum of understanding between the agencies named in the Montana Rangeland Resources Act; this work is still in progress. County range leaders were assisted in preparing rangeland inventories and organizing county range committees.

4. The Watershed Planning Program assisted in planning and establishing priorities for small watershed projects partially funded by the Soil Conservation Service. The primary areas studied were Newlan Creek in Meagher County, Bozeman Creek in Gallatin County, and Lower Birch Creek in Pondera County; also studied were projects for the Boulder River, Whitefish Lake, and the City of Browning. Construction continued on four PL-566 projects for which planning assistance has been provided by DNRC's Watershed Planning Program: Big Spring Creek in Fergus County, Beaver Creek in Hill County, Newlan Creek in Meagher County, and Alkali Creek in Yellowstone County.

5. Under the Cooperative State Grazing Districts Program, BLM grazing studies were monitored and information provided to ranchers. In addition, the related BLM program to prepare allotment management plans for all BLM permittees was monitored. Grazing districts involved with the U.S. Fish and Wildlife Service concerning the C.M. Russell Wildlife Refuge were given counseling and technical assistance. A meeting was held with the directors of the Waterloo Grazing District to discuss game problems and possible dissolution of the district.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is recommended that resource districts develop renewable resource projects and apply for Renewable Resource Development Program (RRD) funding for those projects. The benefits of this recommendation, if such projects are funded and carried through, will be improved range condition and water management practices.

2. Conservation districts should develop demonstration projects for continuous cropping systems to alleviate saline seep problems. Flexible crop systems to control sediment are also recommended where applicable. Two employees should be hired for a saline seep/sediment control project if a grant proposal to the Environmental Protection Agency (EPA) is approved.

3. Prime agricultural lands should be identified, and all crop and rangeland should be considered by conservation districts, in cooperation with state and federal agencies, in land use planning. The benefits of carrying out this recommendation would be soil conservation, primarily through the maintenance of prime agricultural lands in agricultural uses. Long-range conservation plans prepared in each district should encourage sediment control, best management practices, and preservation of prime lands for cropping and grazing, and discourage cultivation of marginal lands.

4. The Soil Conservation Service should be encouraged to expand its Great Plains Program to all counties in the state, and the Agricultural Stabilization and Conservation Service should be encouraged to cost-share on plans for rest-rotation grazing systems.

5. Conservation districts should be assisted in identifying off-stream storage sites as requested by the legislature, and also in making water reservations and planning future development on potential sites. Providing

storage at some of these sites, where feasible and environmentally acceptable, would benefit the state by providing, during times of low streamflow, water to irrigate land, maintain water quality, and preserve fisheries and wildlife habitat.

6. To effectively implement the responsibilities of DNRC's Conservation Districts Division, and particularly because of the expiration of the Old West Regional Range Program in early 1979, an additional field representative is needed to work in the eastern Montana area. Also, more funds for travel are needed if adequate assistance is to be given to conservation districts.

WATER RESOURCES PROGRAM Disbursements \$2,409,193

PROGRAM DESCRIPTION: The Water Rights Program implements Article IV of the Montana Constitution and the Montana Water Use Act, which provide that any water use is a public use and that waters in the state are the property of the state, for the use of the people, and are subject to appropriation for beneficial use. Existing water rights are to be confirmed through court adjudications, a permit system is administered for new appropriations, and all water rights records are being centralized.

The primary functions of the Floodplain Management Program are to determine 100-year frequency floodway and floodplain boundaries for all streams in Montana, and to manage and regulate floodprone lands and waters to prevent or alleviate flood threat to life and property. As the state's coordinating agent for the Department of Housing and Urban Development Federal Flood Insurance Program, the Floodplain Management Program assists local political subdivisions in meeting flood insurance eligibility requirements and maintains effective local-federal relationships.

The High Plains Cooperative Program (HIPLEX) is a joint venture between Montana and the Division of Atmospheric Water Resources Management of the U.S. Bureau of Reclamation. It is designed to enhance precipitation from convective storm systems over the semiarid northern High Plains to increase agricultural production. Montana's responsibilities include studying the ecological, social, agricultural, and economic consequences and impacts of additional precipitation; operating an extensive rain gauge network; maintaining functional radars; and analyzing meteorological and climatological data associated with the project.

The Water Engineering Program is responsible for managing state-owned water conservation projects and providing engineering and related technical assistance to state water users' associations and to other programs with the DNRC. The Program's goals are to enhance beneficial uses of water, improve environmental quality, and promote the safety and economic well-being of Montana citizens through engineering projects and services provided to water related programs.

The Water Planning Program is responsible for ensuring that Montana's interests are represented in interstate compact negotiations, international water apportionment activities, national water policy, and federal water resources programs and projects conducted in Montana. The Program projects future water requirements, formulates plans and alternatives, identifies water storage needs and projects, evaluates effects of varying levels of

water use, and recommends methods of implementation of water resource programs and projects. The overall objective is to guide the use of water resources within the state.

Water Development Program activities include (1) administration of the Renewable Resource Development Act, which authorizes loans or grants to governmental entities to develop the state's renewable resources, and (2) provision of technical assistance to proposed water development projects by conducting preliminary feasibility studies.

PROGRAM BENEFITS:

1. During Fiscal Year 1978, the Water Rights Program received 1,735 Applications for Water Use Permits -- a 48% increase over Fiscal Year 1977 -- and issued 931 permits. The Program received 4,400 Notices of Completion of Groundwater Development (of less than 100 gallons per minute), which is an increase of 24% over the number submitted during the previous fiscal year. There were 1,900 Certificates of Water Rights issued. All records, including permits and certificates, are being microfilmed and computerized for storage, security, and acquisition of statistical data. Field collection of data for the adjudication of existing water rights (those in use prior to July 1, 1973) was completed for 3,200 declarations.

2. During Fiscal Year 1978, public hearings were conducted on completed floodplain delineation studies for major streams in Silver Bow County. With assistance from the Floodplain Management Program, 24 communities became eligible for the National Flood Insurance Program during the past year; as of June 30 1978, 88 Montana communities were participating. Department enforcement of floodplain regulations continued in Cascade County. Ravalli County began a program to locally regulate floodplains.

3. HIPLEX continued to develop effective management techniques for increasing spring and summer rainfall in eastern Montana. The results from Fiscal Year 1978 have provided a greater knowledge of eastern Montana's weather systems which will allow initiation of the second portion of the experiment, the investigation of convective cloud systems. The results of the biological investigations have shown how frequency, amount, and season of rainfall can affect native range grasses, cereal grains, and other aspects of the high plains ecosystems.

4. A report on potential hydroelectric power for state-owned dams (January, 1978) was prepared under the Water Engineering Program. Water deliveries were made to approximately 14,000 acres on the Daly Ditches Project; a construction program to upgrade the canals and canal structures on the project was continued. Construction projects completed during Fiscal Year 1978 include a new headworks for Livingston Ditch and several water control structures on the Daly Ditches project. The largest flood on record was experienced at the Tongue River Project, which was damaged but did not fail. Repairs are planned for Fiscal Year 1979. Design for the repair of the Nevada Creek spillway was begun, with construction scheduled for Fiscal Year 1979. A preliminary design for enlarging and improving the Cooney spillway was completed. A four-year program was begun to inspect all dams in the state whose failure could cause loss of life. The Water

Engineering Program also assisted the Department of State Lands in preparation of an environmental impact statement on the Spring Creek coal mine development near Tongue Reservoir. Negotiations for easements for a railroad to the mine were begun. A preliminary environmental review was completed on the Department of Fish and Game application to build a northern pike hatchery at Tongue Reservoir; the hatchery has since been built.

5. Water planning activities included formal hearings that covered water reservation applications in the Yellowstone River Basin in excess of the average annual flow of the river. Recommendations for actions on these applications, regarding both water quantity and priority, were made to the Board of Natural Resources and Conservation. Potential water storage sites were identified in the Big Hole River Basin as directed by the 45th Legislature. Preliminary groundwork was established to discuss possible joint water storage development with the Crow and Northern Cheyenne Indians and the State of Wyoming in the Tongue and Powder River Basins.

6. Montana's interests were represented to the Western States Water Council, Pacific Northwest River Basin Commission, Missouri River Basin Commission, Interstate Conference on Water Problems, and The Water Resources Council concerning national water policy, the 160 acre irrigation limitation on federal water projects, state control over federal water resource activities, and federal and Indian reserved rights. Activities leading to eventual formulations of a water plan for the Missouri River Basin were initiated through the Missouri River Basin Commission. International negotiations regarding water apportionment of the Poplar River between Canada and the United States were continued through a board appointed by the International Joint Commission. Coordination with local interest regarding a multipurpose water storage project recommended in the Flathead River Basin Water Plan led to a local application for a renewable resource development grant to partially fund the project. A report entitled Clark Fork of the Columbia River Basin, A Cooperative Study (June, 1978), describing the alternatives for water resource development and protection in that basin, was prepared in cooperation with the U.S. Department of Agriculture.

7. In connection with water development activities, the legislature approved five grants for a total of \$1 million, and one loan in the amount of \$2 million, as authorized by the Renewable Resource Development Act. Contracts for disbursement of the funds were prepared. Technical assistance was provided for several proposed water projects, and prefeasibility studies are in progress for additional irrigation water supplies in the Musselshell River, and for rehabilitation of a canal system below Eureka Reservoir near Choteau.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is recommended that adequate funding and staff be provided for the Water Rights Bureau to implement any legislative mandates which result from a study by an interim legislative committee concerning adjudications of existing water rights in Montana.

2. A continuation of state financial support is recommended for the High Plains Cooperative Program to assist in fulfilling Montana's obligation to this project.

3. As a result of a court case, that portion of the Renewable Resources Development Act covering loans to individuals has been found invalid. It is recommended that the legislature reinstate this beneficial function by amending the Act to include loan guidelines to be followed by the DNRC.

4. It is recommended that appropriations and staff for the Water Planning Program be increased to enable the State of Montana to protect state control of its water in an era of increasing water resource activity, issues, conflicts, shortages, and federal and Indian claims.

5. It is recommended that staff be increased to provide for direct state involvement in federally and privately funded activities related to (1) dam safety inspection required by federal law, and (2) development of small hydropower units in state-owned facilities.

FOREST RESOURCES PROGRAM Disbursements \$5,791,193

PROGRAM DESCRIPTION: The Forest Resources Program encompasses a great variety of activities involved in the management and protection of Montana forests, especially those owned by the state or held in trust for the support of education.

The Fire Management phase provides direct fire control services within forest fire districts and by contract to private landowners and assists counties in meeting their fire protection responsibilities through cooperative fire control agreements.

A multiple-use program is conducted on state-owned forest lands to secure income to school trust funds and increase timber productivity. All forest resource values are considered in management decisions. Activities include active protection of watersheds and young stands of timber, continuing inventory for planning guidance to improve forest land capability, and proposed consolidation of state-owned forest land into units which could be managed on a sustained yield basis.

Technical skills, demonstrations, and educational guidance are provided to private forest land operations. Utilization and marketing assistance is available to reduce waste, increase efficiency of logging operations and forest product businesses, and increase benefits to local communities.

The forest tree nursery produces and distributes seedling trees and shrubs at a price that encourages such conservation practices as shelterbelts, windbreaks, forest plantings, wildlife cover, and reclamation plantings on state and private lands.

Administration of the Fire Hazard Reduction or Management Law assures that the fire hazard created by logging and other forest management operations is reduced by treatment, or that additional protection is provided until the fire hazard is reduced to an acceptable level.

An Insect and Disease Protection Program is carried out in cooperation with the federal government and private landowners. Studies are conducted and measures adopted to prevent and suppress outbreaks of forest insect pests and tree diseases.

An Institutional Forestry Program is carried out in cooperation with the Department of Institutions at the Swan River Youth Forest Camp. Needed forest work is performed, and the work potential and skills of young men at the camp are developed through training in the areas of forestry, carpentry, and automotive mechanics.

PROGRAM BENEFITS:

1. Direct fire protection maintains such forest values as timber, grazing, watershed, recreation, and aesthetics on 8½ million acres of state and private forest lands. Cooperative support to an additional 20 counties provides adequate range and forest fire protection on another 13 million acres. Fire protection helps provide an even flow of products from forest and rangelands for the taxpayer and forest user.
2. A total of 202 fires, involving 5,593 acres, were suppressed during Fiscal Year 1978. Other fire control efforts included 5,448 hours of training provided to 227 seasonal and CETA trainees, 570 hours provided to 384 rural fire fighting volunteers, and 1,800 hours provided to 45 students at the Swan River Youth Forest Camp. In addition, 130 permanent employees received a total of 3,900 hours of training at 22 levels of fire control.
3. During Fiscal Year 1978, the harvest of 24,458,750 board feet of forest products brought an income of \$2,068,078 to the permanent trust funds. Special use permits for cabins, homesites, grazing, and other uses returned an additional \$51,486 to the school interest and income accounts.
4. Preliminary work was completed on a system to acquire permanent easements to state forest lands through cost-share agreements with the United States Forest Service and other major landowners in areas of intermingled ownership. The system, tentatively approved by the State Board of Land Commissioners in Fiscal Year 1978, will reduce the cost of access and road maintenance, and assure permanent easement to those state lands on which roads are shared.
5. Forest inventory data collection for state and private forest lands was completed in Flathead, Lake, Lincoln, Sanders, Stillwater, and Carbon counties. Data collection was begun in Missoula, Mineral, Ravalli, Lewis and Clark, Silver Bow, Madison, Jefferson, Broadwater, Deer Lodge, Granite, Powell, Beaverhead, Glacier, Toole, Pondera, Teton, Chouteau, and Cascade counties. In addition, a survey of timber stand improvement needed on state forest lands is being continued.
6. Site preparation for natural reseeding was completed on 989 acres. In addition, 45 acres were planted and 731 acres thinned to improve growth on state-owned forest lands.
7. The breeding of genetically superior trees was expanded to the Douglas Fir and Western Larch species through continued participation in the Inland Empire Tree Improvement Cooperative. Fifty-three Douglas Fir and 30 Western Larch trees exhibiting superior growth traits were selected; seeds from these trees will be collected to establish cooperative orchards for future production of genetically improved tree seed to be used in reforestation of state-owned lands.

8. Over one million trees and shrubs were produced and distributed from the nursery to 1,294 landowners in 54 counties for rural conservation purposes.

9. Technical forestry assistance was provided to over 1,500 private woodland owners. Assistance generally consisted of forest management planning, harvesting and marketing advice, timber sale contracts, insect and disease controls, thinning and planting of seedling trees, and slash disposal.

10. During Fiscal Year 1978, 21 sawmill efficiency analyses and 20 timber harvesting efficiency studies were contracted in an effort to extend Montana's timber supply by improving the harvesting and processing operations.

11. Insect and disease detection surveys were accomplished on the 2,134,400 acres of state and private forest land within the DNRC's area of responsibility. An evaluation of Western Spruce Budworm infestations on 843,920 acres of state and private lands was completed.

12. Benefits from the Institutional Forestry Work Program, in addition to the personal improvement achieved by the individual young men, include 4,987 man-days of project work, such as road and trail building, fire-fighting, construction of fire lookouts, carpentry, and timber thinning. The work accomplished has a total value of \$142,789 in improvements to state forest land and related programs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Guidelines should be adopted for forest home development and construction to prevent fires and subsequent property losses. Minimum standards developed by the state could be adopted or expanded and administered by local governments.

2. The state should continue to support local fire control efforts on both state-owned and privately owned lands. Six counties should be added to the state's roll of cooperative fire counties during 1980 and 1981.

3. Use of helicopters should be continued to provide early, rapid attack on wild fires.

4. Timber stand improvement activities on state forest lands should be intensified in order to increase timber productivity and future return to the trust funds. An increase in fees charged to purchasers of forest products is needed to bring funding of the Timber Stand Improvement Program to adequate levels. In addition, an increase in fees charged to purchasers of forest products for debris disposal after harvest is needed to fund such disposal.

5. Efforts should be initiated to consolidate state forest lands into more manageable units.

6. Efforts to salvage losses of state-owned timber from blowdown, disease, and insects (particularly the Mountain Pine Beetle infestation) will need to be increased.

7. So that refrigeration may continue to reduce planting mortality, a replacement refrigerated cooler should be constructed for seedling and seed storage. Also, a greenhouse system should be constructed for producing containerized tree seedlings for special uses, such as planting on severe forest sites and establishing conifers in conservation plantings.

8. Due to increased logging on private lands and the resultant slash fire hazard, administration of the Fire Hazard Reduction or Management Law should be intensified through additional personnel.

9. To ensure that an adequate supply of timber is available to meet future needs, an intensified effort to encourage the management of private nonindustrial forest lands is needed. A stronger effort toward extending the present supply of timber in Montana through improved utilization should also be initiated.

ENERGY PLANNING PROGRAM Disbursements \$959,154

PROGRAM DESCRIPTION: Through the Major Facility Siting Act, evaluations are made of power and energy conversion facilities proposed to be located within Montana to help ensure that the location, construction, and operation of such facilities do not adversely affect the physical environment and the citizens of the state. At the completion of each study, an environmental impact statement is issued and a recommendation made to the Board of Natural Resources and Conservation concerning whether to grant, deny, or modify the proposal.

The Renewable Alternative Energy Program stimulates research, development, and demonstration of renewable energy sources. Under this Program, resident Montana individuals and organizations are awarded grants to develop noncommercial projects focusing upon such sources as solar, wind, geothermal, water, and biomass.

PROGRAM BENEFITS:

1. During Fiscal Year 1978, several projects were initiated and completed under the Major Facility Siting Act. The EIS on the Troy-ASARCO 115 KV transmission line was drafted. Public hearings before the Board of Natural Resources and Conservation on the Broadview-Glengarry 100 KV transmission line were concluded. Centerline evaluations were conducted on Clyde Park-Bozeman "B" 161 KV transmission line and the Colstrip-Hot Springs (to Townsend) twin 500 KV transmission lines. Baseline fisheries and wildlife studies were contracted for the proposed Kootenai Falls hydro project, and vegetation-wildlife studies were completed under contract with Dreyer Bros., Inc.

2. Under the Renewable Alternative Energy Program, 52 grants totaling \$710,296 were issued during Fiscal Year 1978. The funded projects are located in 36 communities throughout the state. Many of these projects will serve as a basis for evaluating the performance and efficiency of various systems. Several research programs were also funded to obtain essential baseline data for designing and developing new systems, and for educational purposes.

3. In conjunction with Pacific Northwest regional power planning activities, the Energy Division monitored federal energy legislation, negotiated with energy offices of other states, and actively discussed related issues with Montana interest groups.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. It is recommended that the Energy Division of DNRC initiate and persist in an effort to project statewide energy needs. In this way, the Division would be better able to understand, evaluate, and plan for future energy developments. In addition, such projections would enable the state, the public, and potential applicants to work from a common base on selected levels of energy development.

2. It is recommended that a siting study be conducted to identify areas within Montana which are unsuitable for energy and coal conversion facility siting. Such a study would allow the state to protect these areas from major energy facility development and would reduce the potential for conflict between the state, the applicant, and area residents over proposed site locations.

3. Additional research should be conducted on the impacts of transmission lines and pipelines. More quantified predictions of impacts, both positive and negative, are necessary.

4. The renewable alternative energy grant program is progressing beyond the formative stages, and projects funded during the first and second grant periods are being completed. In order to ensure that the public benefits from the results, an aggressive, wide-ranging public information program is necessary.

AGENCY DESCRIPTION:

The Department of Professional and Occupational Licensing provides administrative and clerical services to the 31 boards allocated to the Department for administrative purposes only.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Affirmative Action Plan for the Department was approved on January 10, 1977. Each current employee and all new employees have been and will be provided a copy of the policy statement and complaint procedure. Exit interviews are conducted by the EEO Officer with terminating employees. All application forms for licensing applicants are reviewed for discriminatory language prior to printing. Applicants for available job opportunities are obtained from the Job Security Division, Department of Labor, and by providing notice of openings with other state departments, women's groups, Indian Alliance offices, and other areas of recruitment.

BOARD OF ABSTRACTERS Disbursements \$3,214

PROGRAM DESCRIPTION: The Board of Abstracters insures public safety and welfare against incorrect title abstracts, conducts inspections of all new or change of ownership in title plants, assures that all abstract offices are properly maintained, and licenses only qualified and competent abstracters.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Issue one original license and use carbonized renewal in window envelope to expedite renewal process.
2. Provide for estimated plant inspections in appropriation.

BOARD OF ARCHITECTS Disbursements \$11,333

PROGRAM DESCRIPTION: The Board of Architects implements laws covering the granting of the privilege to practice architecture, for the purpose of protecting the public from the unprofessional, improper, unauthorized, and unqualified practice of architecture.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Revise laws, rules, and regulations to comply with recommendations of Sunset Audit report.
2. Advertise meeting notices in major state papers to promote public participation.

BOARD OF ATHLETICS Disbursements \$1,509

PROGRAM DESCRIPTION: The Board of Athletics protects the public from fraud in professional boxing and wrestling events and assures that all contestants are competent and qualified athletes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Propose legislation for licensure classifications currently covered only under rules of the Administrative Procedure Act.
2. Increase funding in area of travel for board to attend and enforce the laws and rules during professional boxing and wrestling events.

BOARD OF BARBERS Disbursements \$19,414

PROGRAM DESCRIPTION: The Board of Barbers protects the health and welfare of the public by periodic inspections of barbershops in the state. The Board also requires an annual health examination by licensed barbers practicing in Montana. The Board regulates closely the two barber colleges in Montana to insure the students quality instruction.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Require all instructors to be examined by the Board to insure qualified instructors.
2. Have all shops inspected at least once a year to insure sanitary shops for the public.

CENTRAL SERVICES PROGRAM Disbursements \$93,646

PROGRAM DESCRIPTION: The Central Services Program provides budgeting, record keeping, purchasing, accounting, payroll, personnel, and legal services to the 31 individual boards in the most efficient and effective manner possible; adequately staffs the Department to carry out the work required for and on behalf of the boards; disseminates information and forms to the general public, licensees and board members; provides office space and arranges for board meetings, hearings, and examination sites when requested; provides for a prorata assessment of Department costs on each board based on man-days and operating costs of each board; and provides for approval of all contracts and expenditures of each board.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Increase the number of boards which provide for reciprocal licensing and reduce the time required to act on applications.
2. Provide addendum to Affirmative Action Plan concerning nondiscrimination on the basis of handicap, not only for employees, but also in the area of licensure qualifications and examinations.

BOARD OF CHIROPRACTORS Disbursements \$6,278

PROGRAM DESCRIPTION: The Board of Chiropractors regulates chiropractic activities in Montana by examining and licensing only those who meet the qualifications. The Board also monitors the practice of all licensees to assure the public of professional competence in this field.

BOARD OF COSMETOLOGISTS Disbursements \$62,196

PROGRAM DESCRIPTION: Through regulation, licensing and inspections, the Board maintains a constant vigilance in its charge to protect the health, safety, and welfare of the public.

PROGRAM BENEFITS:

1. Qualified training in school assures expertise of licensees and guarantees protection to the public.
2. The Board has improved the method for instructor practical examinations, thereby licensing only qualified applicants for teaching in schools.
3. Through its association with the National Interstate Council of State Boards of Cosmetology and other boards of cosmetology, the Board is striving to standardize curriculums of training, examinations, and licensing qualifications. This will assure the Board that all out-of-state applicants have received qualified training equivalent to a Montana resident.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Propose legislation to reinstate lapsed licenses back to a maximum of three years for better control.
2. Require cosmetologists inactive for three or more years to return to school for advanced education as a prerequisite for license renewal in order to guarantee protection against unqualified cosmetologists.

BOARD OF DENTISTS Disbursements \$19,801

PROGRAM DESCRIPTION: The Board of Dentists regulates the profession of dentistry and dental hygiene in Montana by reviewing applications, conducting examinations, and monitoring the practice of licensees in the public interest.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Continue the investigation of possible regional testing.

STATE ELECTRICAL BOARD Disbursements \$50,366

PROGRAM DESCRIPTION: The State Electrical Board assures the public that all persons making electrical installations for others are qualified by training and experience and are properly licensed.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Combine licensing and inspection into one department.
2. Instigate a quicker procedure for administration of penalties for violations.

BOARD OF HEARING AID DISPENSERS Disbursements \$2,568

PROGRAM DESCRIPTION: The Board administers a thorough examination consisting of a general written examination, a law and rules examination including FDA and FTC regulations, and a practical examination. This is to assure the public of qualified dealers who will fit aids properly and are aware of all regulations.

The Board investigates thoroughly all complaints. If complaints are found valid and the dispenser does not resolve the complaint within the 30 day limit, a hearing is held and the dispenser is subject to possible suspension or revocation of his license. The Board revoked two dealer licenses in 1978.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Require all people who take the examination to first have served a one year traineeship.

BOARD OF HORSE RACING Disbursements \$76,774

PROGRAM DESCRIPTION: The Board of Horse Racing carries out the laws and rules of racing in the best interests of the betting public and racing industry. It provides an opportunity for this industry to grow in Montana and to improve the quality of race meets so that the betting public and horse breeders will have confidence in the integrity of all participants.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. An executive secretary should be hired.
2. More security is needed where futurity and derbys are being run for large purses.
3. Training sessions are needed to educate all racing officials in their specific duties.
4. Board members who are on national and regional committees should be allowed to attend the meetings.

BOARD OF LANDSCAPE ARCHITECTS Disbursements \$6,390

PROGRAM DESCRIPTION: The Board safeguards life, health, and property, and promotes the public welfare by requiring that only properly qualified persons are licensed to practice landscape architecture in the state.

PROGRAM BENEFITS: The Board offered the CLARB examination to five examinees. It was conducted with knowledgeable proficiency.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Clarify the statutes concerning the Board.

BOARD OF MASSAGE THERAPISTS Disbursements \$1,794

PROGRAM DESCRIPTION: The Board protects the public against uneducated and unskilled persons in this field and from unprofessional conduct by persons licensed to practice massage through licensure and regulation.

PROGRAM BENEFITS: Several questionable massage parlors were kept from opening in the state because of the high standards for licensure and educational requirements.

BOARD OF MEDICAL EXAMINERS Disbursements \$85,828

PROGRAM DESCRIPTION: The Board ensures that the public is properly protected against the unprofessional, improper, unauthorized, and unqualified practice of medicine; and licenses competent physicians to practice medicine, thereby providing for the health needs of the people of Montana. All credentials of physicians, osteopaths, acupuncturists, physical therapists, and emergency medical technicians are reviewed by the Board to insure that only those individuals who meet the requirements of the statutes are licensed to practice in Montana.

PROGRAM BENEFITS:

1. Individuals who did not have proper credentials for the practice of medicine, physical therapy, acupuncture, or emergency medical technicians were not licensed and therefore the public was protected against improper or incompetent care.
2. The Board supervises the program to educate optometrists in the use of certain drugs that affect the eye (with the guidance of the ophthalmologists in Montana).

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. More stringent regulations are needed to prevent substandard practitioners, such as physician assistants and nurse practitioners, from endangering the public.
2. Legislation is needed to ensure that all formal hearings are held in Helena.
3. Additional personnel are needed because of the addition to the Board's responsibilities of Emergency Medical Technicians and the increasing workload in the medical doctor and physical therapy areas.
4. The Department's rules in contested cases should be amended to provide for specific rules for issuing subpoenas. Also, the procedure in contested cases should be further improved by setting more specific rules of discovery.
5. Legislation to remove the citizenship requirement from the Medical Practice Act should be enacted because it appears that the first challenge of the federal constitution is going to prove that the requirement is unconstitutional.

BOARD OF MORTICIANS Disbursements \$6,522

PROGRAM DESCRIPTION: The Board of Morticians guarantees that those persons working in the field of Mortuary Science meet professional competency requirements through education and examination and inspects and licenses

funeral homes to insure that they meet the public health standards as set by state law and rules, which include disclosure statements to protect the public from unscrupulous practices.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Legislation should be enacted regarding continuing education in this field for each individually licensed mortician and pre-need guidelines.

BOARD OF NURSING Disbursements \$84,310

PROGRAM DESCRIPTION: The Board has two main functions -- licensing and approval of schools. The qualifications for licensure are statutory. In addition the Board requires successful writing of the State Board Test Pool Examination. The standards for all nursing programs are set by the Board and approval of the schools is determined by compliance to those standards.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Continue to guide the task force to study the Nursing Practice Act.
2. After the above study has been completed, seek legislation if a revision of the law is needed.
3. Continue working on setting standards of practice.
4. Revise the definition of professional misconduct.

BOARD OF NURSING HOME ADMINISTRATORS Disbursements \$9,919

PROGRAM DESCRIPTION: The Board develops, imposes, and enforces standards to insure that Nursing Home Administrators are qualified to receive a license and to serve in the field of nursing home administration.

The delivery of quality nursing home care is the responsibility of each licensee.

PROGRAM BENEFITS: The Board requires 25 hours of continuing education for all licensed administrators annually in order to renew their license, whether they are active or inactive, maintaining the high standards of Nursing Home Administrators.

BOARD OF OPTOMETRISTS Disbursements \$8,122

PROGRAM DESCRIPTION: The Board is responsible for protecting the people of Montana in the visual health field by insuring that all applicants for licensure are qualified and competent in the optometry field and maintain competency in their optometry practice. The Board also insures that optometrists in active practice in the state are aware of any changes in the optometry field by requiring them to attend continuing education programs annually.

RECOMMENDATION FOR PROGRAM IMPROVMENT: Increase the number of Board members from three to four, adding one public member to represent the public and consumer interest.

BOARD OF OSTEOPATHIC PHYSICIANS Disbursements \$433

PROGRAM DESCRIPTION: The Board licenses and regulates the practice of osteopathy in accordance with the law and rules.

BOARD OF PHARMACISTS Disbursements \$49,309

PROGRAM DESCRIPTION: The Board effectuates legislative mandates and decisions pertaining to the practice of pharmacy. This includes the licensing of practitioners and the control of distribution and dispensing of drugs and medical devices. It has a duty to interpret those mandates to realize the Board's public mission, which is "the protection of the health, safety, and welfare of the citizens of Montana."

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Initiate rules whereby the provisions of the mandatory Continuing Education Act can be realized in an orderly fashion.
2. Continue to be involved in regional and national decisions affecting the practice of pharmacy in Montana.
3. Increase the number of field inspections of pharmacies, pharmacists, and interns.
4. Participate with School of Pharmacy in firming up the Internship program to assure a program that falls within the scope of the rules governing interns in Montana.
5. Initiate a numbering system for Certified Pharmacies whereby they are assigned a permanent number.

BOARD OF PLUMBERS Disbursements \$21,735

PROGRAM DESCRIPTION: The Board protects the public from unsuitable plumbing practices by investigation of complaints and adequate examination of applicants to determine their competence, experience, and other qualifications.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. More efficient investigation of complaints should be provided through use of two inspectors and followup on complaints with action by county attorneys where necessary.
2. Apprentice registration should be accelerated because many plumbers in the state have been complaining about the difficulty in getting apprentices registered.

BOARD OF PODIATRY EXAMINERS Disbursements \$34

PROGRAM DESCRIPTION: The Board licenses qualified podiatrists and regulates this field in the public interest as prescribed by law. The licensing and regulation will be accomplished by qualified professionals.

BOARD OF PRIVATE INVESTIGATORS Disbursements \$1,371

PROGRAM DESCRIPTION: The Board provides for licensure and regulation of those persons engaged in investigation, patrol, and alarm operations in the private sector. The Board implements the law as written so the public may have confidence and trust in the individuals licensed. People licensed in this field have access to homes, business concerns, and information which requires that the licensed individuals meet specific requirements and standards.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Provide for a penalty for late renewal.

BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS . . . Disbursements \$43,847

PROGRAM DESCRIPTION: The Board safeguards life, health, and property, and promotes public welfare by endeavoring to assure that only qualified applicants become licensed. Simultaneously, it remains constantly vigilant, regulating the practice of engineering and land surveying by licensed professionals. Seeking more advanced techniques in education, regulation, and examination is an immutable charge of the Board. Investigating and resolving alleged complaints against registrants is a continual responsibility.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Improve and expedite the renewal process.
2. Urge National to accelerate the scoring and return of examinations (the present 90 to 95 day period presents many problems).
3. Perfect and finalize the land surveying academic curricula recommendations to state colleges.

BOARD OF PSYCHOLOGISTS Disbursements \$3,320

PROGRAM DESCRIPTION: The Board licenses psychologists by national examination to insure that the high standards of the law are carried out and to protect the public against those persons who would cause irreparable harm.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The law of the Board of Psychologists will be revised to comply with the American Association of Psychologists Board's new law for easier reciprocity between states. The Master's level holder will be certified under the new law with supervision done by a licensed psychologist.

BOARD OF PUBLIC ACCOUNTANTS Disbursements \$48,341

PROGRAM DESCRIPTION: The Board administers the uniform CPA examination and processes licensing for all qualified applicants who pass the exam and meet all other requirements, and regulates its own profession by investigating complaints submitted.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Amend statutes to clarify annual license renewals.
2. Delete citizenship, residency, and change in licensing requirements for LPAs.
3. Establish continuing education program and peer review program.
4. Change the makeup of the Board to include lay members.
5. Change the experience requirement to include attest function experience.

BOARD OF RADIOLOGIC TECHNOLOGISTS Disbursements \$4,313

PROGRAM DESCRIPTION: The legislature declares that the practice of radiologic technology affects the public health, safety, and welfare, and that it is therefore necessary to regulate and control such practice in the public interest. The purpose of this Board is to protect the public from the unprofessional, improper, unauthorized, or unqualified practice of radiologic technology.

PROGRAM BENEFITS: The Board made the health care professions and the public aware of the danger of radiation overexposure which resulted in training programs for x-ray personnel giving needed attention to positioning, coning, exposure, darkroom procedures, and patient safety.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Board would like to see more training classes given on x-ray procedures to medical personnel who are not radiologists or graduate radiologic technologists. These training courses would be given through the Society of Radiologic Technologists, not the Board, but the Board would like to grant \$500 per year for the purpose of training and payment of instructor fees, equipment use, etc.
2. Utilization of national examinations for permits is being considered, as the Board members feel they are not fully qualified to write examinations and keep up with modern technology such as provided by a national testing service.
3. Funding for one board member to attend the National Society of Radiologic Technologists meeting out of state each year to meet with other states concerning licensing is needed, since this is a relatively new area of medical licensure. At this time there are only five states with legislation and three with enabling legislation affecting x-ray personnel and radiologic technologists.

BOARD OF REAL ESTATE Disbursements \$124,336

PROGRAM DESCRIPTION: The Board administers examinations, grants licenses to qualified applicants, and investigates complaints from the general public and from within the industry itself regarding the conduct of real estate transactions to insure the public of the highest possible standards of ethical practices by all real estate licensees doing business in Montana. The Board of Real Estate registers subdivisions located in the State of Montana and located outside the State of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Study more thoroughly the subdivision laws for better registration procedures.
2. Draft a condominium act for regulation of the increasing number of condominiums.
3. Due to a number of complaints, increase the investigation staff for better and quicker investigations of complaints.

BOARD OF SANITARIANS Disbursements \$1,843

PROGRAM DESCRIPTION: The Board regulates those persons working in the sanitarian field and insures that they are qualified through education and practical experience to serve in the field.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Repeal Sections 69-4321, 4322, and 4323, R.C.M. 1947, because they are obsolete "grandfather" sections.
2. Change statutes to require continuing education for sanitarians.

BOARD OF SPEECH PATHOLOGISTS AND AUDIOLOGISTS Disbursements \$4,273

PROGRAM DESCRIPTION: The Board provides regulatory authority over persons offering speech pathology or audiology services in order to protect the public from being misled, from unprofessional conduct, and to help insure the highest possible quality speech pathology and audiology services to the communicatively handicapped people of this state. The Board works with the Special Education Department of the Office of Public Instruction in resolving problems that may arise concerning applicants for licensure.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Develop a continuing education program.

BOARD OF VETERINARIANS Disbursements \$10,114

PROGRAM DESCRIPTION: The Board insures that all veterinarians and veterinary technicians licensed are qualified and competent in their field and that each veterinarian attends a continuing education program to keep up with the changing trends in their profession before issuing certificates of renewal. The Board also performs inspections of licensed veterinarians' premises to provide uniform standards of sanitation and cleanliness in the public interest.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Require all applicants for licensure as veterinarians to take the National Board examination and provide for a national test for veterinary technicians.

BOARD OF WARM AIR HEATING, VENTILATION,
AND AIR CONDITIONING Disbursements \$2,133

PROGRAM DESCRIPTION: The Board ensures that those persons applying for licensure are qualified through examination and experience to do the work for which they are licensed, thus protecting the health and safety of the public.

BOARD OF WATER WELL CONTRACTORS Disbursements \$8,700

PROGRAM DESCRIPTION: The Board regulates and licenses drillers or makers of water wells in the best interest of the public and prevents waste of the groundwater resources through inefficient or incompetent operations of drillers or makers of water wells.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Require a driller's license in addition to the contractor's license.
2. Enforcement of the Board's newly adopted rule regarding supervision would cut down on the complaints of the public.

DEPARTMENT OF PUBLIC SERVICE REGULATION

AGENCY DESCRIPTION:

The purpose of the Department of Public Service Regulation is the responsible regulation of the public utility, motor carrier, and railroad industries to provide safe, reliable, and adequate services at the lowest achievable cost to the consumers while concurrently providing the regulated industries with a fair and reasonable return on their investment for the services rendered.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Public Service Commission has continued to aggressively advertise openings at the Commission through all available publications and media. One of four administrator's positions, a legal position and the position of the Commission's economist were filled by the hiring of women. Additionally, the small staff of the Public Service Commission has participated actively in all meetings which deal with information and implementation of a successful Affirmative Action Program.

PUBLIC SERVICE COMMISSION PROGRAM Disbursements \$827,843

PROGRAM DESCRIPTION: The purpose of the Public Service Commission is the responsible regulation of the public utility, motor carrier, and railroad industries to provide safe, reliable, and adequate services at the lowest achievable cost to the consumers while concurrently providing the regulated industries with a fair and reasonable return on their investment for the services rendered.

PROGRAM BENEFITS:

1. During Fiscal Year 1978, the Commission's workload continued to increase. The total number of orders issued by the Public Service Commission in Fiscal Year 1978 was 562 compared with 529 issued in Fiscal Year 1977 and 447 in Fiscal Year 1976.
2. The Commission successfully met its policy objective, and subsequent legislative mandate, to issue an order in utility cases within 9 months of filing of a rate application by a public utility. Major cases decided in Fiscal Year 1978 are as follows:

A. Natural Gas

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) MDU	6564	\$ 4,808,000	\$ 4,772,000
(2) MDU	6532	2,399,955	2,399,955
(3) MDU	6583	(-) 30,851	(-) 30,851
(4) MPC	6454	34,508,803	18,200,000
(5) MDU	6441	2,424,000	774,000

Note: 1, 2, and 3 were cost of gas flow through hearings.

B. Electric

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) MDU	6454	\$45,400,000	\$17,118,000
(2) MDU	6441	2,489,000	1,508,000
(3) PP&L	6517	2,500,000	1,819,000

C. Other

<u>Name</u>	<u>Docket Number</u>	<u>Increase Requested</u>	<u>Increase Granted</u>
(1) Northwestern Tel.	4409	\$ 1,181,000	\$ 1,008,086
(2) City of Helena	6498	410,000	300,383
(3) Mountain Bell	6496	11,800,000	2,326,000
(4) City of Billings	6542	1,636,000	649,000

Note: Temporary orders for 3 and 4 above.

3. The Commission denied utilities in major rate cases \$58,682,234 of requested annual increases in Fiscal Year 1978. The smaller cases would add to this total.

4. The Consumer Services Representative handled 619 complaints with a total known dollar savings of \$11,307. Along with these dollar savings, prompt utility service and nonmonetary assistance were provided to approximately half of the complaining parties.

5. During Fiscal Year 1978, The Department trained and supervised 60 GVW and 220 Montana Highway Patrol personnel in the enforcement of the rules and regulations of the Montana Public Service Commission as required by Senate Bill 327. This training has resulted in additional fines being imposed on the motor carrier industry of approximately \$10,000 per month. These dollars go to the support of the local school district where the violation occurred.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Adequate staffing continues to be a most serious problem with the Department despite the addition of 6 FTEs to the Fiscal Year 1978 budget by the 1977 Legislature. Increased staff is needed in the legal, clerical, auditing, telecommunications, and analytical fields. Litigation of nearly every major case has become a common event.

2. Additional money is needed to develop a computer capability for the Department's Transportation and Utility Divisions. Rapid retrieval of information from annual reports of the regulated industries is an absolute must if the quality of regulations is to not suffer. Computer programs must be developed which can quickly and accurately evaluate rate cases placed before the Commission.

3. Other major recommendations involve expansion of the natural gas pipeline program to include the master meter operator, initiation of railroad safety program 50% funded by the state, increased budget for research materials, provision of earmarked filing fees to the Department, and funding for studies of intrastate transportation and consolidation of rate making and plant siting under the jurisdiction of the Commission.

AGENCY DESCRIPTION:

The Department of Revenue has been established to uniformly administer all state taxes so that persons, property, and corporate interests are taxed as provided by Montana law; and to provide the Governor and the legislature information on fiscal problems, revenue, and tax structures of state and local governments.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Department has continued to strive to meet the goals of its Affirmative Action Plan. During Fiscal Year 1978 and continuing into Fiscal Year 1979, the Department, through its Personnel Officer, has provided counseling and training to supervisory and management personnel relating to proper hiring and supervising procedures.

DIRECTOR'S OFFICE PROGRAM Disbursements \$160,465

PROGRAM DESCRIPTION: The Director's Office directs and supervises all Department programs to ensure that the Department is in compliance with legislative, executive, and judicial mandates.

AUDIT AND ACCOUNTING PROGRAM Disbursements \$715,507

PROGRAM DESCRIPTION: This Program provides support for departmental operations in accounting services, internal review, and collection of bad debt receivables. Accounting services include accounts receivable, accounts payable, cashiering, and payroll functions.

PROGRAM BENEFITS:

1. The Audit and Accounting Division provides fiscal reports or information to the public on revenue collections by the Department and on liquor operations.
2. Another objective of the Division is to assist other divisions in the Department in the development of more efficient, effective, and economical systems used to process revenue data.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: With the exception of the bad debt collections function, the services provided by this Program are dependent upon the needs of the other programs and currently our resources are sufficient to meet those needs. We recommend adding one employee to the bad debt collection function to significantly improve the revenue collecting capability of this function.

RESEARCH PROGRAM Disbursements \$142,329

PROGRAM DESCRIPTION: The Research Division provides detailed study of questions concerned with impact on state revenue sources caused by legislative action, executive decision, and alteration of economic patterns. It provides fact-finding service, answers taxpayer correspondence, and furnishes public information concerning Department activities. In addition, it generates major statistical reports and provides assistance in analyzing internal management problems.

PROGRAM BENEFITS:

1. Three issues of "Notes for Tax Practitioners", a newsletter which conveys information concerning state tax laws and administrative rules to those who work in the tax field, were published.
2. A comprehensive study of the taxation of Montana's financial institutions was completed for the legislature's Revenue Oversight Committee.
3. All data on 1977 assessed and taxable value of property on a county by county basis was compiled for publication in the forthcoming "Report of the Department of Revenue".
4. The models used for estimating revenue from state tax sources was refined and, in some cases, totally revised, and preliminary estimates for the next biennium were made.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The Research Division has had to operate within the constraints of an extremely limited budget. Many projects which involve computer usage have necessarily been delayed. Better use could be made of the funds which are available if the Division were able to obtain a faster communication line to the computer. Funds have been requested in order to purchase the necessary communication equipment during the next biennium.

LEGAL PROGRAM Disbursements \$186,670

PROGRAM DESCRIPTION: This Program exists to provide legal services for the Department of Revenue. The Division provides formal legal representation before all federal and state courts in cases concerning state taxes and on a regular basis provides opinions concerning the interpretation of tax statutes to the operating divisions. In addition, staff attorneys on a regular basis appear in the courts of Montana seeking enforcement of this state's and other states' court ordered support decrees and assist and supervise the activities of Department investigations into suspected cases of welfare fraud.

PROGRAM BENEFITS: The specific benefits received by the public from the Program were the reduction in public assistance costs and the more efficient collections and enforcement of state revenue laws. By the enforcement of the state child support law the costs to the state of public assistance were reduced. The costs were further reduced by the identification and prosecution of individuals engaged in defrauding the welfare system. Through efforts of this Division the Department has been successful in its program to enforce its laws concerning the collection of taxes from out-of-state corporations, the result being a reduction in taxes paid by the state residents. In this same vein, the Division has been successful in prosecuting individuals attempting to evade by various means state income taxes.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The plans presently being proposed by the legislature to provide career incentives to state lawyers

should be implemented. This would allow the Department to retain a well-trained and experienced legal staff. The Division should be allowed to continue its program using modern data processing methods for the preparations of the Department's regulations. This recommendation will allow Department attorneys to have more time for more productive activities and still provide up-to-date current regulations to the public.

LIQUOR PROGRAM Disbursements \$50,867,452

PROGRAM DESCRIPTION: The Liquor Division is responsible for the fair and equitable administration of the Montana Liquor Control Laws, with the goal of effective regulation of the manufacture, sale, and consumption of alcoholic beverages in the state, and marketing a reasonable variety of these beverages for distribution through the state store system to yield maximum profit at a fair price to the consumer.

PROGRAM BENEFITS: The Liquor Division provides a good selection of liquor products to all Montana consumers at the same prices across the state. In addition, the Liquor Division operated at a \$7.8 million profit in Fiscal Year 1978, most of which was transmitted to the state's General Fund. Another \$6.4 million was collected in excise taxes and transmitted to the General Fund and \$4 million was collected and transferred to the Department of Institutions, each county, and incorporated city in the state for use in alcoholic beverage control and rehabilitation projects.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Implement a "Data Base" system to improve forecasting and Inventory Control systems.
2. Develop and implement store district supervision concept to provide direct supervision and contact with state stores at the field level.
3. Utilize the recently formed Wine Advisory Council to provide expertise to the Division in selection of wine products to be sold through state outlets.
4. Revise the license application forms and procedure to reduce the time necessary to process applications. Continue microfilming of license files to reduce storage and provide more readily accessible license history information.
5. Install electronic cash registers in remaining class 11 and 12 stores to enhance sales reporting system.

INCOME TAX PROGRAM Disbursements \$1,087,498

PROGRAM DESCRIPTION: The Income Tax Division administers the Montana Income Tax Law.

PROGRAM BENEFITS: Revenue generated by the Income Tax Program totaled \$123,639,676 for the fiscal year. The return form and the instructions for filing 1977 returns were extensively revised for easier preparation of returns and for completeness and clarity of the instructions. Taxpayer service was greatly improved by the installation of a toll-free telephone

line which enabled taxpayers throughout the state to more readily obtain answers to their tax questions and to resolve their particular problems. The establishment of two field offices will significantly improve taxpayer service and relations by enabling persons in the locality of the offices to obtain assistance in preparing returns, to readily obtain tax forms and tax information, and to personally review tax problems with a representative of the Income Tax Division.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Taxpayer service will be further improved by the establishment of a third field office and by making the taxpayer toll-free telephone line operational for an additional month during the filing season. Tax return forms and the related instructions will again be extensively revised for easier preparation of returns and for clarity and completeness of the instructions. The Department will also propose several changes in the law for clarification and to promote equity in taxing the income of individuals.

CORPORATION TAX PROGRAM Disbursements \$352,056

PROGRAM DESCRIPTION: The Corporation Tax Program is responsible for efficient and equitable administration of the Montana corporation license/income tax laws. The Program systematically reviews or audits all returns received, either in the office or at the taxpayer's place of business, to insure that Montana taxable income has properly been determined and that all requisite taxes have been paid.

PROGRAM BENEFITS:

1. Collected \$29,238,878 from the corporation license tax, corporation income tax, penalties and interest.
2. Collected \$1,601,628 from field audits of 24 multistate corporations; field audit assessments to 28 taxpayers totaled \$1,704,919.
3. Collected \$413,433 from office audit assessments (1,203 office audit assessments totaled \$698,271).
4. Investigation of corporations not filing Montana corporation tax returns resulted in 43 additional taxpayers and collections in the amount of \$460,989.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Expedite the response to taxpayer requests and inquiries.
2. Develop and establish a more efficient system for processing and office auditing tax returns and related documents.
3. Develop, or participate in, specialized technical training programs for the professional development of the audit staff to improve the capabilities and proficiency of the audit staff.
4. To the extent feasible, intensify the tax jurisdiction (nexus) investigation of corporations who are not correctly filing Montana corporation license tax returns.

DEPARTMENT OF REVENUE

PROPERTY ASSESSMENT DIVISION Disbursements \$8,096,941

PROGRAM DESCRIPTION: The Property Assessment Division appraises, assesses, and equalizes the value of all property subject to ad valorem property taxation in the State of Montana.

PROGRAM BENEFITS:

1. Provided 148,000 homeowners with an average of \$93 in tax relief under the Homestead Tax Relief Act.
2. Completed the statewide reappraisal of all real estate and structures for the 1978 tax roll.
3. Under statutory guidelines, reduced the taxable value of real estate, except agricultural land, from 12% of appraised value to 8.55% of appraised value.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Add two auditors in order to improve compliance with the statutes pertaining to the taxation of inventories and the net and gross proceeds taxation of minerals and ensure that correct procedures are followed in the county assessor's offices.

MISCELLANEOUS TAX PROGRAM Disbursements \$254,211

PROGRAM DESCRIPTION: The Miscellaneous Tax Program is responsible for the administration and collection of 25 state level licenses and taxes, and for the enforcement of the minimum cigarette price law.

PROGRAM BENEFITS: This Division was able to administer and collect the following taxes and licenses for Fiscal Year 1978.

Oil Producer's Tax	\$ 6,808,100
Coal Severance Tax	33,623,864
Retail Coal Dealers License Tax	125
Cement and Gypsum License Tax	153,934
Natural Gas Producer's Severance Tax	923,541
Electrical Energy License Tax	1,865,426
Telephone Companies License Tax	1,398,062
Telegraph Companies License Tax	493
Micaceous Mineral Mines License Tax	12,628
Freight Line Companies License Tax	582,555
Public Contractor's Licenses	147,355
Metalliferous Mines Licenses Tax	1,751,498
Sleeping Car Companies License Tax	79,973
Rural Electric and Coop License Tax	9,548
In-Lieu-Of-Taxes	834
Resource Indemnity Trust Tax	2,246,415
Consumer Counsel Tax	409,414
Contractors Gross Receipts Tax	
(net after refunds and credits)	853,977
Store Licenses	300,161
Cigarette Tax	11,269,506
Cigarette Licenses	16,805
Tobacco	331,491

DEPARTMENT OF REVENUE

Camper Certificates and Decals	\$ 15,663
Express Lines Company Tax	83
Tramway Gross Receipts Tax	1,600

RECOMMENDATION FOR PROGRAM IMPROVEMENT: The administration of the Consumer Counsel Tax should be transferred to the Public Service Commission. The Miscellaneous Tax Program does not have current nor complete information concerning motor carriers to administer this tax in a consistent and equitable manner for the motor carrier category. The PSC has daily information from their PSC permit files which would enable them to obtain full compliance with the Consumer Counsel Tax requirements.

MOTOR FUELS TAX PROGRAM Disbursements \$362,457

PROGRAM DESCRIPTION: The Motor Fuels Tax Program is responsible for the administration of motor fuel tax laws. The Program licenses and collects fuel taxes from gasoline distributors, special fuel dealers, and users.

PROGRAM BENEFITS: Revenue collected from the Program benefits the general public as it is earmarked for highway, state parks, and airport improvements.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Continue to improve the gasoline tax refund program and the program allowing special fuel users a refund for credits so those persons claiming a refund may receive it promptly.

OPERATIONS PROGRAM Disbursements \$276,641

PROGRAM DESCRIPTION: The Operations Division provides centralized service support to all divisions and their outlying offices. Major functions involved are: personnel, labor relations, E.E.O., supply, mail, and word processing.

PROGRAM BENEFITS:

1. A number of organizational reviews of human resources were conducted for the purpose of redistributing manpower and work procedures. These resulted in increased efficiency within the Department, better response to the public, and increased productivity per dollar cost to the taxpayer.
2. A procedure to handle employee grievances was established, thereby resolving them at the lowest level without increased cost to the taxpayer.
3. The handling of mail and purchasing of supplies was centralized to improve cost effectiveness of support services of the divisions of the Department.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Update procedures and equipment in the mail functions. Most of the equipment in the mailroom is outdated and is not capable of handling the increased volume of mail. The mail volume has increased approximately 17% per year for the last three years. By updating equipment the operation will be more efficient.

2. Add additional staff to the personnel section to handle increased workloads. Increased workloads have been a result of new or additional requirements of the federal government, other state agencies, and increased employee turnover.

DATA PROCESSING PROGRAM Disbursements \$606,805

PROGRAM DESCRIPTION: The Data Processing Division provides data processing services to all other Department of Revenue programs. These services include: feasibility studies, systems design and programming, data acquisition and control, input/output liaison, and computer processing.

PROGRAM BENEFITS: Benefits of the Data Processing Program stem from the ability to provide services to each Department of Revenue program at the least cost. The existence of a professional data processing staff within the Department of Revenue makes technical expertise with intimate knowledge of subject applications, thus producing the highest degree of responsiveness to existing as well as new legislative mandates.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: Maintain efforts currently in progress to provide continuous development of resources, both human and material, to assure that the Program stays abreast of the "state of the art" as practiced by its counterparts throughout the industry.

Specific areas of development currently being planned or in progress are as follows:

1. Point of Sales Reporting Devices -

Support software is under development which will gather data electronically from the point of sale, eliminating much document handling, providing faster information on sales trends, etc., thus allowing better management control over the total liquor distribution system.

2. Teleprocessing Network Design -

Point of sale data reporting relies upon the existence and operation of teleprocessing network systems. To gain the advantage of teleprocessing technology, good network design is absolutely essential. Members of the staff participate in training in this and other areas as workload, course availability, budget funds, etc., dictate.

3. Data Base Technology -

This is a very new tool in data management within the State of Montana. The Department of Revenue is currently developing one subsystem as a pilot project. Using knowledge gained in our pilot projects, the scope of the project will be expanded to encompass the entire liquor system and its several subsystems. Data Base utilization reduces data redundancy, increases data confidentiality and security control, and provides a great deal of flexibility in management of masses of data while maximizing strict control.

4. Equipment Update and Modification -

Current plans involve acquisition, exchange, and replacement of equipment as follows:

- a. A study is in progress to determine if replacement of our current data entry system with new and different equipment would be cost effective. Preliminary information indicates an increase in operator efficiency of 15%. The new equipment provides direct electronic transfer of data from capture point to computer without the manual transmission of data storage media.
- b. Installation of CRT display terminals to be used in conjunction with the Advance Text Management System currently installed on the state computer system will allow for computerized test modification ability and greatly enhance the quality of documentation necessary to describe system functions, operating procedures, etc.
- c. Replace current typewriter terminals in use by system development personnel with CRT display terminals to obtain greater productivity with less cost.
- d. A study will also be made to determine if a faster printer might be exchanged for the printer currently attached to the remote job entry computer terminal in use by this Program. If deemed to be cost effective, this exchange would allow further expansion of the distributive input/output concept for the Department of Revenue.

In each of the cases briefly outlined above, the equipment updates are to utilize recent equipment and technology developments which afford greater capability for the cost incurred.

INVESTIGATION PROGRAM Disbursements \$724,399

PROGRAM DESCRIPTION: The Investigation Program investigates complaints of violations and enforces the laws currently being regulated by the Department of Revenue. It operates in four major areas: Tax/Revenue Enforcement, Child Support Enforcement, Welfare Fraud, and Alcohol Beverage Control. There are other secondary investigation duties such as internal investigations which detect inappropriate conduct by Department employees, minor tax investigation, and collections. The Investigation Division is available as a support unit to all other divisions within the Department of Revenue.

PROGRAM BENEFITS:

1. Within the liquor industry, the Division is working toward insuring fair and uniform business practices, providing consumer protection, and insuring appropriate tax enforcement. There are benefits to the law enforcement community as well, whereby Department of Revenue investigators train local enforcement agencies, work special events bolstering local agencies' manpower, and assist in routine enforcement and regulatory activities when requested.

2. The amount of state, county, and federal money that is paid out each month in public assistance is reduced. The Child Support Enforcement Bureau operates on an amount that is less than that collected and, therefore, is considered self-supporting.

3. The successful completion of both recipient and vendor prosecutions and the unlawful payments to these recipients has been stopped because of the welfare fraud investigation efforts. Many recipients have voluntarily discontinued themselves from a grant because of their becoming aware of prosecution of individuals in similar circumstances. Upon reviewing the billing practices of vendors requesting program discontinuance, our patient service procedures have found their overall performance questionable.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Division's highest priorities at this time are in legislative changes. There are three bills being considered for submission which are considered vitally important to Investigation Program functions:

1. To formulate an administrative process which would allow a hearings officer or board to establish the support order amount and the enforcement of such orders.
2. To add peace officer status to the existing alcohol beverage control statute which gives Division investigators the authority to enforce the law. Currently the investigator can do everything necessary associated with the enforcement of the law except arrest violators. Such an amendment would not extend jurisdiction as much as it would complete the intended enforcement activity.
3. To provide a penalty for welfare recipient and/or vendor fraud. If fraud is established, the recipient, either provider of services (vendor) or recipient (family head), must repay the money plus a penalty. If the case is arbitrated to repayment in lieu of prosecution, the penalty is also assessed.

INHERITANCE TAX PROGRAM Disbursements \$120,840

PROGRAM DESCRIPTION: The Inheritance Tax Program administers, determines, and collects inheritance taxes. It also administers unclaimed and escheated property.

PROGRAM BENEFITS: The Program collected approximately \$6.3 million for the General Fund and about \$200,000 for Earmarked Revenue Fund accounts.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Inheritance Tax: Draft and print copies of the Inheritance Tax Law and Regulations to be given out to the general public. This should be done immediately after the codes have been recodified.

Unclaimed Property: Conduct a study and review of the activities of other states in an effort to locate unclaimed property which has not been reported in the past.

Escheated Estates: Rewrite the Escheated Estates Act in an effort to clarify the procedures and time limitation and to make the procedures parallel the Montana Probate Code.

HOMESTEAD TAX RELIEF PROGRAM Disbursements \$13,982,256

PROGRAM DESCRIPTION: This Program is established to administer the Homestead Property Tax Relief Act.

AGENCY DESCRIPTION:

The Office of the Secretary of State, a constitutional office, exists by virtue of the provisions of Section 1, Article VI, Constitution of Montana, to execute the duties prescribed by Section 4(3), Article VI, Constitution of Montana.

ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Office of the Secretary of State has not engaged in any practice contrary to the Freedom from Discrimination Act and has complied with the provisions of the Act.

RECORDS MANAGEMENT PROGRAM Disbursements \$410,296

PROGRAM DESCRIPTION: The Program exists to discharge the duties of the Secretary of State, except those prescribed in the Montana Administrative Procedure Act, imposed by Section 4(3), Article VI, Constitution of Montana.

PROGRAM BENEFITS: The specific benefits to the public resulting from the operation of the Program in Fiscal Year 1978 were:

1. The timely execution of the duties of the Secretary of State under the election laws, including:
 - a. Canvass of initiative petitions by the people and certification of petitioned issues for the election ballot.
 - b. Filing of petitions and certificates for nomination of candidates for United States, state, and district offices.
 - c. Preparation and publication of voter information pamphlets on ballot issues and distribution of the pamphlets to the county clerk and recorders.
 - d. Publication of proposed constitutional amendments.
 - e. Organization and certification of primary, general, and special election ballots.
 - f. Conducting the canvass of election returns and certification of the results.
 - g. Publication of the election laws for distribution to county clerk and recorders and the public.
 - h. Maintenance of election records.
 - i. Furnishing election information to the public and election officials.
 - j. Performance of diverse and incidental election functions.

2. The timely performance of services to the legislature under applicable law, including:
 - a. Attendance of the legislature.
 - b. Filing of laws enacted by the legislature, resolutions and memorials passed by the legislature, and veto messages of the Governor.
 - c. Assignment of Session Law Chapter numbers to laws enacted by the legislature and certification of enacted laws for publication in the Session Laws.
 - d. Preparation and distribution of copies of enacted laws to the public and state and county offices.
 - e. Registration of lobbyists and principals of lobbyists.
 - f. Filing applications for copies of legislative proceedings and bills.
 - g. Taking custody of the journals and records of official acts of the legislature.
 - h. Maintenance of the records of official acts of the legislature.
 - i. Performance of diverse and incidental functions during and following session of the legislature.
3. The timely distribution of decisions of the Montana Supreme Court published in the Montana Reports and the maintenance of the record of distribution.
4. The timely performance of services to the Executive Branch under applicable law, including:
 - a. Attesting under the Great Seal of the State of Montana official acts of the Governor.
 - b. Recording the official acts of the Governor and the Executive Branch.
 - c. Delivering the Governor's commissions of executive appointments to state offices, boards, councils, and commissions.
 - d. Filing of oaths of office of state officers and members of boards, councils, and commissions.
 - e. Recording official bonds of Notaries Public and the blanket bond of state officers and employees.
 - f. Maintenance of the record of official acts of the Executive Branch.
 - g. Performance of diverse and incidental functions as custodian of the executive record.

5. The timely recording of deeds to state property and a variety of miscellaneous documents and maintenance of records of deeds to state land and miscellaneous records.
6. The execution of the duties of the Secretary of State under the corporation law, including:
 - a. Chartering, regulation, and dissolution of private profit and nonprofit corporations and business trusts.
 - b. Chartering certain public and quasi-public corporations.
 - c. Licensing and regulating foreign and alien corporations doing business in the state.
 - d. Performance of diverse and incidental functions under the corporation laws.
 - e. Maintenance of the record established under the corporation laws.
7. Timely filing of certificates of formation, alteration, and dissolution of limited partnerships and maintenance of the record of limited partnerships.
8. Timely recording of trademarks, tradenames, and union labels and maintenance of the record of marks, names and labels.
9. Timely recording of geophysical exploration bonds and school textbook bonds, and maintenance of the record of bonds.
10. Timely execution of the duties of the Secretary of State as designated statutory agent for service of process under Rule 4(D) of the Montana Rules of Civil Procedure, the Non-Resident Motor Vehicle Act, and the Montana Comprehensive State Insurance Plan and Tort Claims Act, and the maintenance of the appropriate records of receipt of service of process.
11. Timely execution of the duties of the Secretary of State under the Uniform Commercial Code, including:
 - a. Filing of financing, amendment, and termination statements and notices of secured transactions.
 - b. Issuing certificates of information on the record established under the Uniform Commercial Code.
 - c. Maintenance of the record established under the Uniform Commercial Code.
12. Timely execution of miscellaneous duties and establishment and maintenance of miscellaneous records required by law.
13. Furnishing information and copies from the public records in the custody of the Office including the authentication under the Great Seal of the State of Montana of copies of the public record.

14. Collection of fees prescribed by law for performing the services managed by the Program and depositing the collected fees to the General Fund of the state.

15. Keeping the Great Seal of the State of Montana.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: For improvement of the Program the Secretary of State recommends:

1. Allocation to the office of additional space adjacent to the vault area to relieve excessive crowding of employees which precludes efficient work.

2. Allocation of additional space to the office adjacent to the vault area to provide work space for employees presently stationed in the vault area, to return needed vault space to its designed use.

3. Soundproofing of office areas where the noise level due to operation of typewriters precludes telephone use and adversely affects employee efficiency.

4. Installation of improved telephone and intraoffice communications system, to improve access to the office by the public and to improve internal office communication.

5. Replacement of Lektriever containing record indices with index cabinets, to expand access to record indices necessary to process documents and furnish information to the public.

6. Conclude reorganizaton of office staff commenced in Fiscal Year 1979 by upward reclassification of two presently authorized personnel positions to relieve supervisors of minor technical and supervisory duties so supervisors may attend to more critical management problems.

7. Authorization for adding two employees to staff to meet increased workload and to meet recommendation by the Legislative Auditor for increased promptness in deposit of fees collected by the office.

8. Graduated review and phased implementation of data processing techniques and applications to administration of laws during the 1981 Biennium.

9. Specific and concentrated review under expert direction of needs in Office space, personnel, equipment, and procedures to improve record management and relieve demand on storage space.

10. Selective changes in the fees required to be collected by the office to cover cost of administration of the Program.

ADMINISTRATIVE CODE PROGRAM Disbursements \$64,366

PROGRAM DESCRIPTION: The Program exists to discharge the duties of the Office of the Secretary of State under the Montana Administrative Procedures Act.

PROGRAM BENEFITS: The specific benefits to the public of the Program are:

1. Timely filing of rules of state agencies and publication of the rules in the Montana Administrative Register (MAR).
2. Timely publication of rules of state agencies in the Administrative Rules of Montana (ARM).

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: For the improvement of the Program, the Secretary of State recommends:

1. The establishment of a revolving account to allow greater flexibility in publishing additional sets of ARM to meet public demand.
2. The addition of one employee to the staff to index ARM.
3. A graduated review and phased implementation of data processing techniques and applications to the publication of the ARM and MAR during the 1981 Biennium.

AGENCY DESCRIPTION:

The Department of Social and Rehabilitation Services is a multi-function agency, the purpose of which is to provide the necessities of life compatible with decency and health, to provide medical assistance to needy individuals who qualify, and to help these people with casework services for self-care and self-support.

The Department provides service to children and adults who are in danger of abuse or exploitation. It helps blind and partially blind individuals become rehabilitated to the point of earning a living for themselves and their families and gain self-confidence and independence in daily living. The Department also assists senior citizens in preparing for retirement. SRS provides rehabilitation services to promote the restoration of handicapped Montanans to their fullest physical, mental, vocational, and social usefulness, and the Department helps veterans and their dependents in all matters concerning Veterans Administration Affairs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In accordance with all applicable state and federal laws, it is the policy of the Department of Social and Rehabilitation Services to provide equal employment opportunities for all persons regardless of race, color, religion, national origin, age, marital status, ancestry, receipt of public assistance, political beliefs, physical or mental handicap, exoffender status, and sex. To this end, we are implementing and will sustain a deliberate commitment to equalize employment opportunities for minorities, women, and handicapped at all levels and in all programs administered by the Department.

Affirmative action to eliminate discrimination on the above-named basis (except where religion, sex, age, exoffender status, and/or physical or mental handicap constitute a bona fide occupational qualification) includes, but is not limited to employment, recruitment, advertising, hiring, transfer, promotion, demotion, training, compensation, benefits, receipt of any service or financial aid with respect to their provision, layoff, termination, and all other conditions of employment. All applicants for Department employment will be recruited from the available qualified labor market and employed in accordance with each person's qualifications and abilities. Handicapped persons will be considered for employment on the basis of the person's capacity to perform the particular job applied for and the feasibility of any necessary job accommodation. Periodic reviews will be conducted for determining whether the Affirmative Action Plan is achieving its objectives.

Reports of these reviews will be the basis for appropriate action to correct deficiencies.

ASSISTANCE PAYMENTS (AID TO FAMILIES WITH

DEPENDENT CHILDREN) Disbursements \$16,360,519

PROGRAM DESCRIPTION: The Aid to Families with Dependent Children Program provides for the financial and medical needs of needy children and their needy caretaker relatives who do not have sufficient means to maintain themselves to at least a minimum standard of health and decency.

PROGRAM BENEFITS: During Fiscal Year 1978, the AFDC Program assisted 6,300 needy Montana families per month with their financial and medical needs.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Increase Program benefits to bring them in line with the cost of living in order for people to maintain at least the minimum standard of health and decency (a payment standard within 85% of poverty level).
2. Provide adequate eligibility staff at the county level to assure prompt and efficient eligibility determination for financial assistance.
3. Provide more and better staff training in doing eligibility determination.
4. Improve and update eligibility requirement and resources limitation to bring them in line with the rising cost of living.

ASSISTANCE PAYMENTS (FOOD AND NUTRITION

SERVICE) - FOOD DISTRIBUTION Disbursements \$168,096

PROGRAM DESCRIPTION: The Food Distribution Program provides donated foods to needy families on six of the seven Montana Indian Reservations. In addition, it provides food to the Title VII and Title III Programs such as Meals on Wheels and the Elderly Feeding Program. The Food Distribution Program provides the needy Montana Indian families and the elderly with food for a more adequate and nutritional diet.

PROGRAM BENEFITS: The Food Distribution Program provided 8,514 needy Indian families with donated food, and served eight Title VII projects, two Title II projects, 18 institutions, and 94 summer camps during Fiscal Year 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. The Food Distribution Program is being expanded to cover the Fort Peck Indian Reservation, so all seven Montana Indian Reservations will have the Families Feeding Program.
2. The number of food items available through the donated food program is being increased to 37 in order to assure a more adequate and nutritional diet for needy Indian families and Elderly Feeding Programs.

ASSISTANCE PAYMENTS (FOOD AND NUTRITION

SERVICES) - FOOD STAMPS Disbursements \$17,300,000

PROGRAM DESCRIPTION: The Food Stamp Program provides low income families in Montana with additional purchasing power with which to buy food. The Food Stamp bonus gives the low income family the means to buy more nutritional food so they can improve their diet for a more healthy family.

PROGRAM BENEFITS: The Food Stamp Program provided Food Stamps to 9,500 low income families during the Fiscal Year 1978.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. For program improvement during Fiscal Year 1979, the Food Stamp Program will undergo a major change which will improve the Program and increase the number participating in it.
2. Purchase price should be eliminated. The Food Stamp bonus is provided to the family or individual at no cost.
3. Shelter should be standardized.
4. Certification procedures should be simplified.

ASSISTANCE PAYMENTS (PROGRAM INTEGRITY BUREAU) Disbursements \$212,588

PROGRAM DESCRIPTION: The Program Integrity Bureau is responsible for the administration of the Provider Fraud Section which is designed to monitor all provider activity for fraud and abuse. The Bureau also is involved in a Medical Quality Control program to identify dollars lost in the Medicaid, Aid to Dependent Children and Supplemental Security Income programs. Quality Control activities are a part of the Bureau as well as a Recovery Unit to recover funds inappropriately expended in the AFDC, Medicaid, and Food Stamp programs.

PROGRAM BENEFITS:

1. Reduced provider fraud and abuse, with an estimated savings of \$25,000 to \$2.5 million.
2. Reduced AFDC ineligible rates from 12.8% in June, 1977, to 8.8% in December, 1977.
3. Reduced Medicaid funds misspent from 16.3% in March, 1977 to 6.0% in March, 1978.
4. Recovered \$172,000 for medical third party recoveries.

SOCIAL SERVICES BUREAU Disbursements \$8,369,652

PROGRAM DESCRIPTION: The Social Services Bureau exists to maintain and strengthen the families through comprehensive services to children and families and to provide services to adults to assist their living in the least restrictive environment.

PROGRAM BENEFITS:

1. Provided protective services as mandated by law to 2,300 adults and 6,900 children who are in danger of neglect, abuse, or exploitation.
2. Provided adoptive placement for 72 children; provided subsidized adoptive placement for 22 children; investigated for evaluation on nonagency 500 adoptive placements.

3. Provided day care services for 2,371 children throughout the year; provided for the evaluation and licensure of 500 day care homes and 35 centers.
4. Provided foster care services to 1,689 children and 1,042 adults to prevent institutionalization and provided placements out of the home when necessary.
5. Provided health related services to 1,500 adults and services related to Early Periodic Screening Diagnosis and Treatment Program for 3,900 children.
6. Provided homemaker services to 275 families and 800 adults in situations related to protective services and prevention of institutional services.
7. Provided information, referral, and follow-up services to 10,000 individuals.
8. Provided institutional placement and counseling, including prescreening, discharge planning, and developing community resources to 900 adults.
9. Provided services to 528 unmarried parents related to decisions about placement of children, location of needed services, and decisions about employment.
10. Provided family planning services by contract with the Department of Health and Environmental Sciences to 3,000 individuals.
11. Provided legal services by contract with Montana Legal Services Association to 1,330 low income individuals.
12. Provided WIN services including family planning, day care, counseling, employment-related medical and transportation to 1,500 individuals.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Expand the protective services law for children to allow for more effective services delivery.
2. Expand the efforts in provision of services in nursing homes to divert adults from nursing home placements when appropriate.
3. Increase the payments to foster care and day care facilities in order to assure that quality care is provided.
4. Expand the homemaker services program to assist in provision of protective services and in services to adults to enable them to live in their own homes.

ADMINISTRATIVE AND SUPPORT SERVICES PROGRAM Disbursements \$2,219,562

PROGRAM DESCRIPTION: The Centralized Services Division provides those services common to all program divisions which would be impractical for each division to provide for itself (i.e., fiscal, audit, data processing, general services, and word processing).

PROGRAM BENEFITS:

There are economies to be gained through centralization of the above functions in the areas of overhead and specialization.

RECOMMENDATON FOR PROGRAM IMPROVEMENT:

Because of a limitation in FTE employees and an ever increasing workload, the Program continually seeks new and better ways of doing things by modernizing operations via acquisition of state of the art equipment and improving operational procedures. Anything that can be done to eliminate the manual applications via automation or improved techniques will result in better service and perhaps cost avoidance to the program divisions.

ELIGIBILITY DETERMINATION PROGRAM Disbursements \$2,963,750

PROGRAM DESCRIPTION: The Eligibility Determination Program supervises local county operations regarding the certification of applicants for AFDC, Medical, Food Supplement, and General Assistance. State central office costs of maintaining policy and supervisory responsibility are included.

PROGRAM BENEFIT:

This Program pays the cost of determining and monitoring the eligibility of 16,500 individuals monthly.

RECOMMENDATION FOR PROGRAM IMPROVEMENT:

Reduce Eligibility Determination error rates and improve Program administration to assure that only eligible persons receive Program benefits.

MEDICAL ASSISTANCE PROGRAM Disbursements \$50,872,845

PROGRAM DESCRIPTION: Title XIX of the Social Security Act provides for a program of Medical Assistance (Medicaid) for needy individuals and families.

PROGRAM BENEFITS:

Eligible individuals and families receive medical services such as in-patient and out-patient hospital services, laboratory and x-ray services, skilled and intermediate nursing facility services for individuals 21 and older, home health services, physician and family planning services, early and periodic screening, diagnosis, and treatment services. In addition, Montana's Medicaid Program provides a number of other services including drugs, eye glasses, private duty nursing, in-patient psychiatric care, physical therapy, and dental care.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Efforts to contain medical costs should be encouraged in order to maintain the current level of services provided through the Medical Assistance Program.

2. It is important to understand that the Medical Assistance Program does not provide services to all of the poor. Low income is only one test of eligibility. Resources are also considered. Most importantly, one must belong to one of the groups designated for welfare eligibility to receive services. In this light, the development of a catastrophic health insurance program to assist persons not eligible under basic programs who have large medical bills is needed. Such an improvement in the Medical Assistance Program can be the difference between an increase or a decrease in public welfare roles.

VOCATIONAL REHABILITATION PROGRAM Disbursements \$3,618,356

PROGRAM DESCRIPTION: This is the principal state program to provide needed services to vocationally handicapped people of employable age to restore them to gainful employment. Program emphasis is on serving first the severely disabled. Required Vocational Rehabilitation services will be furnished an individual if found by diagnostic study to require such services.

Vocational Rehabilitation Services means any goods and services necessary to render a handicapped individual fit to engage in a gainful occupation. These include: evaluation of rehabilitation potential; counseling, guidance, and referral; physical and mental restoration services; vocational and other training services; maintenance; transportation; services to members of a handicapped individual's family necessary to the adjustment or rehabilitation of the handicapped individual; interpreter services for the deaf; reader services, rehabilitation teaching services, and orientation and mobility services for the blind; telecommunications, sensory, and other technological aids and devices; recruitment and training services to provide new employment opportunities in rehabilitation, health, welfare, public safety, law enforcement; and other appropriate public services employment; placement in suitable employment; post-employment services necessary to assist handicapped individuals to maintain suitable employment; occupational licenses, tools, equipment such as initial stocks (including livestock) and supplies; and other goods and services which can reasonably be expected to benefit a handicapped individual in terms of his employability.

This Program also administers life saving treatment for chronic end stage renal disease, and subsidizes sheltered employment positions in workshops and work activity centers for nonvocational Rehabilitation programs.

PROGRAM BENEFITS:

1. At the end of Fiscal Year 1978, this Program has 6,571 open cases, with 1,247 handicapped Montana citizens returned to gainful employment. During the year, 4,098 persons were referred for service, with 48% of the clients considered severely disabled. The deaf are among the severely disabled receiving increased vocational rehabilitation services.

2. Sheltered Employment: A total of 74 (all severely disabled) individuals were eligible for and did participate in extended employment services in seven rehabilitation facilities. This state funded Vocational Rehabilitation administered program was initiated to subsidize overhead costs incurred in certified sheltered workshops and work activity centers which are providing sheltered employment and work activity services to severely disabled persons.

3. Kidney Program: Life saving services were provided to 80 persons with chronic end stage renal disease during the year. These were persons who had no other resources to pay for the services required to maintain their life.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

Additional funding for the Nonvocational Rehabilitation Program is being requested of the 1979 Legislature.

The End Stage Renal Disease Non-VR Kidney Program is serving more clients (a faster rate of increase than anticipated). Comparable programs in Idaho and Wyoming indicated the appropriation needed for this program would reach \$200,000, but this level of funding was reached sooner than anticipated in Montana.

During Fiscal Year 1977, \$100,000 was utilized on providing services to persons with End Stage Renal Disease with 52 in the program on July 1, 1977. On July 1, 1978, there were 80 persons in the program, 31 added to the program, with 3 leaving the program, 1 through death and 2 through other financial resources being obtained. The average cost per patient is lower in Montana than in comparable states. The rate of increase in the number served has been larger than anticipated, and the number of those leaving the program has been lower than anticipated. Typically, people leave a program such as this after successful transplantation or by death. Based on other states, however, it is still felt the number served will stabilize between 90 and 100 with a funding level of \$200,000 required per year. The high inflation rate in medical care has also increased appropriation needs for this program.

DISABILITY DETERMINATION PROGRAM Disbursements \$715,880

PROGRAM DESCRIPTION: The Disability Determination Bureau is responsible for allowance and denial decisions on applications for Social Security Disability Benefits of Montana residents. The primary purpose of the Disability Insurance Program is to provide partial replacement of earnings lost because an individual is precluded from engaging in substantial gainful activity due to a physical or mental impairment.

Applications for Supplemental Security Income Disability Benefits are also adjudicated by the Disability Determination Bureau. This is a new federal assistance program which provided a national income floor for the aged, blind, and disabled who have met an income and resource requirement.

All funding for the Disability Determination Bureau comes from the Social Security Administration, Bureau of Disability Insurance.

PROGRAM BENEFITS:

The specific purpose of either program is to provide money payments to disabled individuals to assist in securing such basic needs as food, clothing, and shelter. In Fiscal Year 1978, 4,635 SSI disabled beneficiaries in Montana received approximately \$7.3 million; 8,709 disabled workers received Social Security Disability benefits totaling \$23.7 million. The Disability Determination Programs required disability decisions on 6,704 Montana applications in Fiscal Year 1978; 22.9% of all applicants were referred to the Rehabilitation Services Division for potential assistance in returning to work.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

The major area of program focus will be in the area of quality assurance. Continuing efforts will be made to secure more physician involvement in the quality assurance review function. The initial thrust will be 100% physician review of all allowed sampled claims. The second priority will be to increase the number of sampled claims for full quality review from 30% to 50%. This will require an additional quality reviewer position. Management attention is being focused on this area in an effort to reduce the number of appealed decisions by improving the documentation at the time of initial adjudication.

YOUTH DEVELOPMENT PROGRAM Disbursements \$1,043,596

PROGRAM DESCRIPTION: The Child and Youth Development Bureau of the Department of Social and Rehabilitation Services is responsible for planning and program development for child and youth services. Planning and program development for youth services is provided on the state level by two full-time staff persons and on the local level by eight full-time state employees. Planning and program development for children's services is provided on the state level by one full-time state employee and on the local level by seven local Community Coordinated Child Care Programs (4-C's). The planning and developmental services of 4-C's programs are obtained by the Department through Purchase of Service contracts with these local non-profit corporations. The services that are planned and the programs that are developed are directed at (a) prevention of delinquency, (b) reduction in numbers of youth in need of supervision, and (c) prevention of child abuse and neglect. Primarily, efforts are focused at helping the existing system to work better and, where appropriate, developing additional community resources to serve children and youth.

PROGRAM BENEFITS:

1. The Program continued efforts begun under a joint agreement between the Board of Crime Control and the Department of Social and Rehabilitation Services. The agreement identifies that staff and functions in the youth services area will be shared between the agencies. This joint staff carried out planning, development, implementation, and evaluation of youth services under the guidance of the Montana Youth Justice Council which was formally appointed by the Governor in December of 1975.

2. Completed a Statewide Youth Needs Assessment and Adults Opinion Survey and four local Youth Needs Assessments in Missoula, Helena, Great Falls, and Butte (copies are available from the Bureau upon request).
3. Completed, in cooperation with the Department of Institutions, a State Plan and five regional plans on Youth Drug and Alcohol Abuse. The Bureau coordinated the efforts of a state task force of 50 youth (copies of the state and regional plans are available from the Bureau upon request).
4. Provided a one-to-one meaningful relationship with an adult through 450 Big Brother/Big Sister relationships in 10 programs across the state.
5. Provided emergency services, counseling, and crisis intervention to 250 runaway youths in four programs in the state.
6. Provided group home treatment services to 30 youth. "Graduated" eight youths from Achievement Homes and successfully "graduated" 41 families through the Family Teaching Center.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. Efforts should continue to improve the joint program in youth services between the Board of Crime Control and the Department of Social and Rehabilitation Services with the anticipation of including other agencies in the joint agreement.
2. Improvements should be made in the Bureau's Management by Objectives (MBO) format and its Priority Budgeting System (PBS). The Bureau will continue to work closely with the Office of Budget and Program Planning relative to the PBS pilot.
3. As soon as possible, the Bureau's youth development effort should be expanded statewide (the state could be covered through the addition of two FTE positions).
4. As soon as possible, the Bureau's Community Coordinated Child Care (4-C's) effort should be expanded statewide by two additional Purchase of Service Contracts: one in Kalispell and one in northeastern Montana.

VISUAL SERVICES PROGRAM Disbursements \$717,460

PROGRAM DESCRIPTION: The Visual Services Division provides:

1. Vocational Rehabilitation Services to blind and visually impaired individuals which include the following services:
 - a. Medical and vocational diagnosis
 - b. Physical restoration services
 - c. Training for a job
 - d. Job placement
 - e. Follow-up services.
2. Visual Services Medical Program which provides necessary eye care for Montana residents who are determined medically indigent (eye care includes surgery, hospitalization, and subsequent prostheses).

3. Business Enterprise Program which implements the Randolph-Sheppard Act and small businesses for individuals.
4. Mobility and Orientation Program which trains blind individuals to travel independently in support of their vocational rehabilitation.
5. Rehabilitation Teaching Program which trains individuals in daily living skills to operate and function in their own homes, and trains hospital and nursing home personnel in techniques for working with blind and visually handicapped patients.

PROGRAM BENEFITS:

1. Of the approximately 1,500 legally blind persons in Montana, 75% have light perception or better. About 7,500 additional persons are visually handicapped. From July 1, 1977 to June 30, 1978, 72 visually handicapped individuals were rehabilitated; 2 were totally blind (1 male), 21 legally blind (12 males), and 49 visually impaired (21 males). Of the 72 successful rehabilitations, 61% were rehabilitated into employment in 38 assorted occupations. Of the 61%, 11% were under age 18, 47% between age 18 to 64, and 3% age 65 or older. The average income for males was \$580 per month and \$620 for females. The average age at referral was 45.5. The average closure age was 49.
2. A federal innovation and expansion grant, together with contributions from various donors, enabled the establishment of the Montana Low Vision Services, Inc., located in Helena at the Eagles Manor. From December 5, 1977, to June 30, 1978, 43 Montana residents were served, 30 of whom were helped. Ages of patients ranged from 15 through 92 with an average age of 57 and a median age of 67. An Apollo Low Vision Reader was purchased for three separate rehabilitation facilities and technical assistance was provided to appropriate facility staff in an attempt to develop their capability to evaluate the rehabilitation potential of visually impaired persons.
3. This year the Visual Services Medical Program served 308 individuals. Of the 308 individuals, 197 were 18 years of age and under, 35 were between the age of 19 and 50, and 76 were over age 50. Also, 43 were legally blind and 265 were visually impaired. Approximately 121 individuals may have become legally blind without medical attention due to cataract(s) retinoblastoma, glaucoma, diabetic retinopathy, and other degenerative conditions.
4. The Business Enterprise Program supervises six facilities (Randolph-Sheppard Act) in federal and state locations throughout the state. An additional snackbar facility is expected to be in operation by November, 1978.
5. The Mobility and Orientation Program provided services to approximately 40 persons who received training in independent travel techniques. In addition, approximately 80 staff members of hospital and nursing homes received training in basic mobility and orientation concepts and techniques to better enable them to care for the visually impaired.

6. The Rehabilitation Teacher Program has provided direct services to approximately 250 visually handicapped and trained 300 hospital and nursing staff.

RECOMMENDATION FOR PROGRAM IMPROVEMENT:

Two additional staff members should be hired; one mobility and orientation specialist and a specialist to work with the deaf/blind.

DEVELOPMENTAL DISABILITIES DIVISION Disbursements \$7,647,329

PROGRAM DESCRIPTION: The function of the Division is to assure the provision of quality services to the developmentally disabled citizens of Montana. The Division is responsible for people who are mentally retarded, autistic, epileptic, have cerebral palsy, or any other neurological handicapping conditions closely related to mental retardation if the disability originated before the person attained the age of 18.

PROGRAM BENEFITS:

1. The Developmental Disabilities Division (DDD) has continued the development and improvement of a full continuum of services for developmentally disabled adults, beginning with intensive community homes, day training, and vocational training programs through semi-independent living services and competitive employment. The DDD has also continued to expand services provided to handicapped children and their families. Services provided include: residential services, training in life skills, vocational training, transportation, evaluation and diagnosis, respite care, and home-based intervention training for children and their parents. These services have enabled clients to be moved from institutions to less restrictive settings, and have prevented institutionalization of disabled persons.

2. Figures representing the number of clients served are available through March, 1978, or for only the first three quarters of the fiscal year. During those three quarters, 295 developmentally disabled adults entered service roles; 10 from BRSH, 3 from Galen, 7 from Warm Springs, 3 from other institutions, 16 from nursing homes, 15 as graduates of special education classes, 3 from out of state, and 238 from within communities. A total of 269 new children entered the service roles of Family and Child Service providers; 9 from BRSH, 1 from nursing homes, 4 from out of state, 1 as a newborn, and 254 from local communities.

3. At the end of March, 1978, the DDD, through contracts with local nonprofit service agencies, was providing service to a total of 1,472 individuals; 958 adults and 514 children. At the beginning of the 1978 fiscal year, the DDD unduplicated client count number was 1,289. As of March, the Division has added 147 new clients to its service roles, and predictions are that by July 1, 1978, close to 200 additional clients will have been served during the fiscal year.

4. Assuring that services provided were of the highest quality, the Division continued to improve its staff development/training program. Utilizing 10 regional clinical trainers and the resources of the Training

Resource Information Center, training and curriculum development services were provided to approximately 600 direct care staff, employed by nonprofit providers.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT:

1. A computer-based information system was developed during Fiscal Year 1978 and continues to be revised. The system provides information concerning clients' Individual Habilitation Plans and information that allows staff to track the services provided to clients.
2. Standards for day activity and vocational training programs (Life and Occupational Skill Centers) have been prepared by the Division. Standards for residential programs will be revised during Fiscal Year 1979, and standards for Family and Child Service programs will be developed and prepared during this same fiscal year.
3. To reduce administrative costs and facilitate coordination among programs, a number of programs were consolidated and the actual number of contracts was reduced from 161 to 137. The Division will continue to consolidate programs in the hope of increasing the coordination and availability of services.
4. The following goals and objectives have been proposed by the DDD for the biennium beginning in July, 1979, to improve the ability of the Division to meet the needs of additional deinstitutionalized persons:

GOAL: To develop additional community services for presently inappropriately served persons, nursing homes and institutions, and unserved developmentally disabled persons (Community Based Care and Treatment).

OBJECTIVE 1. To increase the number of services in the 1981 Biennium, to provide for 225 developmentally disabled persons including residential service alternatives, pre-vocational/vocational services, transportation services, respite services, follow-along support, and evaluation and diagnosis for adults in long-term care facilities and institutions.

OBJECTIVE 2. To provide, during the 1981 Biennium, the full continuum of services for 82 adult developmentally disabled persons who are presently on waiting lists for entrance into community service programs.

GOAL: During the 1981 Biennium, design, develop, and initiate specialized community services for the most severely handicapped and developmentally disabled, including those with special medical needs, the profound and severely retarded, and those with multiple handicapping conditions (Community Based Care and Treatment).

OBJECTIVE 1. To provide opportunities for 116 clients to avoid institutionalization or leave institutional settings by developing approximately 20 alternative residential settings.

9 Community Home I (3 clients in each)
6 Community Home II (5 clients in each)
2 Community Home III (7 clients in each)
3 Community Home (15 beds for medically needy in each home)

OBJECTIVE 2 To provide localized support services including: residential services, vocational services, treatment and follow-along, evaluation and diagnosis, and family training, that will prevent institutionalization of 18 severely handicapped/medically needy clients and deinstitutionalize 98 severely handicapped/medically needy clients.

GOAL To initiate, within the Developmental Disabilities Division, a public information program aimed at the prevention of developmental disabilities in Montana during the 1981 Biennium (Community Based Care and Treatment).

OBJECTIVE 1 To conduct in cooperation with the Department of Health and Environmental Sciences and the Office of the Superintendent of Public Instruction at least 2 prevention workshops in each of the five administrative regions, serving a total of 250 people.

OBJECTIVE 2 To provide information through educational instruction and written materials that describes the causes of and suggests means to prevent developmental disabilities, for distribution throughout Montana.

OBJECTIVE 3 To produce or gain access to media productions for public service advertising by television, radio, and newspapers, urging Montanans to avail themselves of appropriate prenatal medical services.

AGING SERVICES PROGRAM Disbursements \$3,982,468

PROGRAM DESCRIPTION: The Aging Services Bureau is the state-level administrative agency for the statewide Aging Services Network. The Aging Services Network, through all the services it provides, is designed to enhance the individual living situations and prevent early or inappropriate institutionalization of Montana's senior population.

PROGRAM BENEFITS:

1. Provided 899,050 nutritious meals (congregate and home-delivered) to senior citizens statewide.
2. Provided 37,804 units of transportation service to senior citizens statewide.

3. Provided 51,856 units of in-home service (Homemaker/Chore, Home Health) to senior citizens statewide.
4. Provided funding for the acquisition and/or upgrading of 44 senior centers in the state.
5. Provided 291 units of minor home repair services to individual senior citizens statewide.
6. Provided 60 senior citizens with meaningful roles through the Foster Grandparent Program.
7. Made 16,375 individual visits/contacts by Information and Referral Technicians with senior citizens, senior centers, nursing homes, Social Security representatives, meals programs, hospitals, and other senior programs across the state.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The Aging Services Bureau recommends that state General Fund money be provided for matching Title XX funds utilized within Aging Services Programs as it is with other Title XX services. By providing cash match for 25% of total program cost with state General Fund dollars, the Aging Services Network would be able to free up local resources presently used to match Title XX and greatly expand the amount of services provided. The local resources would enable Aging Services projects to capture additional federal funds which are provided at a lower matching ratio (90% federal, 10% local).

BOARD OF VETERANS AFFAIRS AND VETERANS

AFFAIRS DIVISION Disbursements \$330,704

PROGRAM DESCRIPTION: The Veterans Affairs Division is charged with the responsibility of administering the affairs of all veterans of the armed forces of the United States, and their dependents and beneficiaries who may be entitled to benefits under the laws of the United States and the several states thereof.

PROGRAM BENEFITS:

1. In advising veterans and their dependents of the benefits available, both federal and state, and assisting with filing for these benefits, 59,204 contacts were made during Fiscal Year 1978. During this same year, 3,335 claims for benefits were filed and 16,672 supporting documents were submitted.
2. The initial dollar return to claimants for compensation, pension, death pension, education, insurance, and direct loans amounted to \$5,892,669.
3. As the accredited representative of the veterans and their dependents before the Veterans Administration by virtue of VA Power of Attorney, the Veterans Affairs Division is empowered to act on behalf of 44,956 veterans and dependents.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: It is recommended that an additional Veterans Service Officer be added to the Billings office. The area served by the office has the largest veteran population of the state and has been steadily increasing. The additional Veterans Service Officer will make it possible to more adequately serve the growing number of veterans and dependents.

AGENCY DESCRIPTION:

The Department's primary functions are to administer the lands granted to the state for the support and benefit of the various state educational institutions and to administer Montana's reclamation laws. The Department is also responsible for developing a program to identify areas of saline-alkali damage and to coordinate state efforts to solve the problem.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Under the Department's Equal Employment Opportunity Plan steps are taken to identify and eliminate any present discriminatory practices, directly contact "affected class" groups as a regular recruitment procedure, and submit semiannual affirmative action status reports to the Equal Employment Opportunity Bureau (June 15 - December 15).

CENTRAL MANAGEMENT PROGRAM Disbursements \$921,249

PROGRAM DESCRIPTION: The Central Management Program is charged with providing the necessary administrative services for the Department. The Program processes in excess of \$20 million in trust income annually and also issues and maintains surface and mineral leases on 5,000,000 acres of school trust lands. The Program is responsible for distribution of the interest and income received from lands and investments and for maintaining the permanent fund accounts involving \$92,456,909.

PROGRAM BENEFITS: The Program collected and distributed \$21,742,095 in rentals and interest income to the common school and other land grant schools and institutions.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: Expand the records system to grant lands to include lands owned by the state and administered by other state agencies except Department of Highways lands.

RECLAMATION PROGRAM Disbursements \$363,694

PROGRAM DESCRIPTION: The Reclamation Program is responsible for regulating all mining-related disturbances in the state. Specifically, the Program administers the Montana Strip and Underground Mine Reclamation Act, the Montana Open Cut Mining Act, the Strip and Underground Mine Siting Act, the Coal Conservation Act, and legislation regulating hard rock mining. In addition the Reclamation Division began in 1978 to administer the initial regulatory program of the Federal Surface Mining Control and Reclamation Act.

PROGRAM BENEFITS: The Department's Reclamation Program sought to minimize environmental damage caused by mining in the state. By demanding effective mined land reclamation, the Department sought to maintain the long-term utility of surface resources including land utilized for grazing, crop production, timber, watershed, and recreation. Through its regulating duties, the Department promoted productive land use consistent with a harmonious environment and constitutional requirement.

RECOMMENDATIONS FOR PROGRAM IMROVEMENT:

1. The statutory time allowed for permit review under the Open Cut Act should be extended in order to more fully comply with the Montana Environmental Policy Act. Sixty days does not allow time to prepare required environmental assessments.
2. The confidentiality provisions for the Montana Hard Rock Act should be amended to allow for the Department of State Lands to notify the Department of Health when there is a potential water quality problem. The Department of Health would be subject to the same confidentiality provisions as the Department of State Lands.
3. Research monies would improve the Department's revegetation monitoring attempts and would allow for soil moisture research to be conducted on revegetated areas. Such research would result in data on optimal reclamation methods and seeding mixtures, thus enabling the Department to better fulfill its statutory obligations. Research monies are also needed to allow the Department to study the cause and mitigation of erosional processes occurring on coal strip mines. Present sources of funding for reclamation research do not always provide data necessary to resolve problems or questions raised in the administration and enforcement of the reclamation acts.

LAND ADMINISTRATION PROGRAM Disbursements \$169,255

PROGRAM DESCRIPTION: The Land Administration Program is charged with the appraisal and reclassification of all state lands by identifying and utilizing multiple-use concepts.

PROGRAM BENEFITS: The Program has allowed the Department to secure the optimum advantage to the various institutional trusts through adequate appraisal and land use supervision.

RECOMMENDATION FOR PROGRAM IMPROVEMENT: More field personnel are needed to conduct the systematic field evaluations of the 4.6 million acres of state land, to reappraise the carrying capacities of grazing tracts prior to lease renewals, and to obtain information relevant to the classification system for multiple use management.

RESOURCE DEVELOPMENT PROGRAM Disbursements \$162,541

PROGRAM DESCRIPTION: The Resource Development Program is responsible for developing and improving state lands to increase revenue for the trust fund, and to restore and preserve state land resources.

PROGRAM BENEFITS: Revenue to the trust funds has been substantially increased by developing irrigation projects and developing stockwater wells on state school trust lands. Water rights have been secured on numerous tracts of state lands which will enhance the value of the state tracts for future generations.

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: To enhance lessee interest in the development of Resource Development Projects and to improve the land and increase the revenue to the school trust funds, an incentive must be offered to the lessee. Some recommendations that should be taken into consideration are as follows:

1. For special high cost sprinkler irrigation projects that require a large investment on the part of the lessee, for items such as mechanical surface sprinkler irrigation equipment, farming, operational, labor and power costs, a lower rental than the standard 1/4 crop share should be considered.

2. The Department should be able to offer the lessee a guaranteed lease extension or renewal for a period of up to ten years to protect the lessee's investment if it is substantial enough to warrant such.

SALINE-ALKALI PROGRAM Disbursements \$99,331

PROGRAM DESCRIPTION: The Saline-Alkali Program is responsible for administering funds for research to control and prevent saline-alkali damage to cropland.

PROGRAM BENEFITS: The Program provided technical assistance to farm and ranch operators through news media and educational pamphlets for the control of saline-alkali problems .

RECOMMENDATIONS FOR PROGRAM IMPROVEMENT: The 1977 legislature funded the Program at a "phase-out" level. The Program is to be terminated as a Department responsibility following the biennium.

AGENCY DESCRIPTION:

The Superintendent of Public Instruction is an elective office established by Section 1, Article VI, of the Constitution. Title 75, Chapter 57, R.C.M. 1947, states that the Superintendent's prime mission is "the general supervision of the public schools and districts in the state."

Services in various educational areas are provided for Montana's school age children and teachers. The Superintendent's office provides consultative and technical assistance in assessing the state's educational needs and assists in the areas of teacher preparation, certification, school accreditation, information, financial, and legal services.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

An EEO Officer for the Office has been assigned and the officer's name and phone number are published periodically in the Office newsletter. The Equal Learning Opportunity Division provides technical assistance to various school districts attempting to comply with regulations concerning discrimination by race and sex. It also provided professional development activities in cultural awareness for certain districts and the office staff.

CHIEF STATE SCHOOL OFFICER Disbursements \$4,620,388

PROGRAM DESCRIPTION: The Chief State School Officer provides leadership, direction, and coordination for the agency and the diverse groups it serves. The staff provides assistance in performing those duties described specifically for the Superintendent or requiring the Superintendent's personal attention or representation. Also included in this Program is the educational services function. Previously a separate program, educational services personnel provide informational, evaluative, planning, data processing, and financial support for basic and vocational subjects available in Montana schools at the elementary, secondary, and postsecondary levels. This unit coordinates federal and state resources, assists local school staff directly through financial programs and administrative support, and fosters improved communications through workshops, conferences, and consultations.

PROGRAM BENEFITS: The Administrative Services Unit accomplished the following:

1. In the Division of Personnel Services, various committees screened applicants for staff positions. The Division developed policy and procedures for promotion of staff and it provided technical assistance to schools striving to comply with current federal laws and regulations concerning personnel management.
2. The Public Information Division logged 16,030 calls on its toll-free line from school personnel and others with educational concerns.

The Program Services Unit provided the following benefits:

1. The unit's federal researcher provided both unit and office staff information on federal educational activities.

2. Tests were distributed, scored, and interpreted by the Montana School Testing Service for students in sixth and twelfth grade in Montana Schools. The test on "careers" developed by this unit was adopted for use in the American schools operated by the Department of Defense throughout the world. The staff of this Division began gathering information on competency testing.

The Basic Skills Unit accomplished the following:

1. The professional staff organized and presented workshops for teachers, school board members, and administrators on such topics as teaching, learning, curriculum, administration and public relations.
2. The Division administers the General Educational Development test. Individuals who pass this test are considered to be equivalent in knowledge to those who complete high school graduation requirements.
3. The State Film Library distributed films to elementary and secondary schools, and colleges and universities.

The Special Education Unit provided as follows:

1. The Unit funded services to handicapped students in district-centered programs and provided regional services for children in isolated rural districts.
2. Montana schools received funds for special education through the Educational Handicapped Act Program administered by the Special Education Unit. (Special Education is the term applied to the efforts that address the unique educational needs of children who are diagnosed as deaf, deaf and blind, multihandicapped, hard of hearing, orthopedically impaired, other health impaired, having specific learning disability, mentally retarded, speech impaired, visually handicapped or emotionally disturbed).

The Federal Programs Unit accomplished the following:

1. Staff persons in the Division made personal contact and provided technical assistance to all recipient schools and conducted regional workshops for school personnel and parents.
2. The Unit processed and disbursed education support funds to Montana schools in 1978. The Federal Program Accounting Services Division handled the accounts for these funds and conducted in-service training for school fiscal agents and others on all phases of federal program accounting.

The Financial Services Unit provided the Office of Public Instruction with data processing services.

The Vocational and Occupational Services Unit:

1. Compiled a list of all programs and program options approved by the Board of Public Education for postsecondary centers.

2. Developed minimum standards for vocational education offerings.
3. Assisted the U.S. Office of Education in its evaluation of vocational education administration in Montana.
4. Reviewed programs in four vocational-technical centers in a number of secondary school vocational programs.
5. Coordinated and administered 758 programs in secondary, postsecondary, and adult vocational education which received state and federal reimbursement. These programs were operated in 50 counties and involved 121 school districts, 6 state institutions, 3 community colleges, 3 units of the University of Montana, and the 5 vocational technical centers.

DISTRIBUTION TO SCHOOLS PROGRAM Disbursements \$153,630,585

PROGRAM DESCRIPTION: The Distribution to Schools Program is the organizational mechanism within the Office of Public Instruction that allows for the separation of funds into administrative/operational or "pass through" categories. Pass through monies are those distributed in the form of grants or entitlement funds to support programs such as Indian education, adult basic education, school lunches, and education for the handicapped, in addition to public school equalization and monies for grants under the Elementary and Secondary Education Act.

MONTANA AGRICULTURAL EXPERIMENT STATION

AGENCY DESCRIPTION:

The Montana Agricultural Experiment Station was established by state statute "to conduct and promote studies, scientific investigations and experiments relating to agriculture natural resources and rural life, and to diffuse information thereby acquired among the people of Montana." The agricultural economy of Montana is highly dependent on an effective program of agricultural research if it is to remain a progressive and viable industry. The state agricultural experiment station funded by state and federal funds provides this program of agricultural research in concert with other state experiment stations and the U.S. Department of Agriculture.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana State University, in both its employment and admissions policies, is in compliance with the Montana Human Rights Act (Title 64, Chapter 3, R.C.M. 1947). Activities over the past year to achieve compliance with the Human Rights Act and applicable federal legislation include:

1. Ongoing dissemination of the University's nondiscrimination policy and affirmative action commitment to prospective applicants for employment and admission, through appropriate official publications and advertising.
2. Internal dissemination of information on the University's equal opportunity and affirmative action policies, and designation of responsible employees for such matters.

Action of the Montana Agricultural Experiment Station is governed by Montana State University policy and activity as stated above. In addition, the Experiment Station's plan for Civil Rights Compliance Review has been found in compliance with Title VI of the Civil Rights Act of 1964 and implementing regulations.

PROGRAM DISBURSEMENTS:

Organized Research	\$5,118,848
Academic Support.	12,371
Institutional Support	352,262
Operation and Maintenance of Plant	119,550

BOARD OF REGENTS OF HIGHER EDUCATION

AGENCY DESCRIPTION:

The Board of Regents is established in Article X of the Montana State Constitution to govern and control the Montana University System. This seven-member board has full power, responsibility and authority to supervise, coordinate, manage and control the Montana University System.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Board of Regents of Higher Education established a nondiscrimination policy (Section 70 of the Policy and Procedures Manual) for the units of the Montana

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University System, requiring each institution to establish and maintain procedures to insure nondiscrimination. Interunit groups on affirmative action and the handicapped are working under the guidance of staff members from the Commissioner's Office to provide system-wide coordination.

PROGRAM DISBURSEMENTS:

Educational Supervision \$14,145

COMMISSIONER OF HIGHER EDUCATION

AGENCY DESCRIPTION:

The Commissioner of Higher Education is the chief administrative officer of the Montana University System. The constitution provides that the Regents appoint the Commissioner and prescribe the powers and duties of the office. The Commissioner's responsibilities include the following: academic planning and curriculum review, budgetary planning and control, provision of legal services to campuses, facilities planning, establishment of labor negotiation policies and procedures, and coordination of community colleges in accordance with state law and Regent policies.

In addition, the Office of the Commissioner is the designated agency for the Federal 1202 Commission on Postsecondary Education. The Commissioner also administers several programs pertaining to student aid and the Community Services Program.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The Commissioner of Higher Education provides technical assistance and direction to the units' efforts to implement nondiscrimination policies and operated a grievance and appeals mechanism. The Commissioner is establishing an affirmative action plan and appeals and grievance procedures for his staff.

ADMINISTRATION PROGRAM Disbursements 527,395

PROGRAM DESCRIPTION: The Administration Program provides academic planning and curriculum review; makes budgetary recommendations and provides for budgetary review; performs facilities planning and makes recommendations; sets policies and procedures relating to labor negotiations; maintains and provides legal services for the campuses; and coordinates community colleges in accordance with state law and Regent policies.

STUDENT ASSISTANCE PROGRAM Disbursements \$2,840,954

PROGRAM DESCRIPTION: The Student Services Program consists of the Western Interstate Commission on Higher Education (WICHE) Student Exchange Program which provides educational opportunity for Montana students in the fields of medicine, dentistry, veterinary medicine, optometry, physical therapy, occupational therapy, podiatry and dental hygiene; the cooperative dental education agreement with the University of Minnesota; the State Student Incentive Grant (SSIG) program which provides loan funds to needy students - 50% from federal funds and 50% matching state funds; and the NDSL federal student loan program which provides \$9 in federal matching funds for every \$1 of state funds.

COMMUNITY COLLEGE ASSISTANCE PROGRAM Disbursements \$1,855,578

PROGRAM DESCRIPTION: Funds are appropriated by the legislature for the support of Montana's three community colleges. These funds are appropriated to the Commissioner's Office for redistribution to the colleges. Community College budgets are reviewed by the Regents to determine the amount to be budgeted from state funds.

COMMUNITY SERVICE PROGRAM Disbursements \$90,916

PROGRAM DESCRIPTION: This federally sponsored program provides special grants to the various postsecondary campuses which are oriented to community service.

ACCOUNTING SYSTEM IMPROVEMENTS PROGRAM Disbursements \$26,937

PROGRAM DESCRIPTION: House Bill 143 enacted by the Forty-Fifth Legislature appropriated General Fund monies to the Commissioner of Higher Education for accounting System improvement. This Program was established to account for the accounting system improvement project.

COOPERATIVE EXTENSION SERVICE

AGENCY DESCRIPTION

The Cooperative Extension Service, created in 1914, is provided for in Section 16-1904, R.C.M. 1947. Its role is educational. It disseminates and encourages practical use of knowledge gained from research performed at Montana State University.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Recruitment and hiring procedures for classified and professional employees were revised to conform to Montana State University procedures, effective July 1, 1977.

PROGRAM DISBURSEMENTS:

Public Service	\$2,481,065
Institutional Support	460,560
Operation and Maintenance of Plant	19,480
Recharge Services Program	171,647

EASTERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Eastern Montana College is one of six units of the Montana University System. The College offers programs in general education, liberal arts and sciences, undergraduate and graduate teacher education and professional and vocational programs. The College is committed to the value of lifelong learning and offers these experiences to persons of all ages.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The College has adopted the following policy statement and subscribes to it totally:

"Eastern Montana College is committed to a policy of equal opportunity in education, employment, and participation in all College programs and services. No person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination on the basis of race, color, sex, national origin, religion, physical or mental handicap, age, marital status, or political beliefs. This right shall be guaranteed to all students presently enrolled, students applying for admission, academic employees, nonacademic employees, and applicants for employment at Eastern Montana College."

The statement of compliance for Equal Opportunity and Nondiscrimination under Title VI and VII of the Civil Rights Act of 1964 (as amended), Executive Order 11246 (as amended), Title IX of the Education Admendments of 1972, the Equal Pay Act (as amended) and Section 504 of the Rehabilitation Act of 1973, appears (or will appear) in all announcements, bulletins, application forms, student handbooks, catalogs and bulletins, and all other material used for requirement of student and employees.

PROGRAM DISBURSEMENTS:

Instruction	\$4,233,225
Organized Research	15,236
Public Service	375,893
Academic Support	549,723
Student Services	1,022,175
Institutional Support	1,202,471
Operation and Maintenance of Plant	967,110
Scholarships and Fellowships	377,344
Auxiliary Enterprises	2,514,041
Recharge Services Program	838,173
Student Loan Fund	57,873
Plant and Programs	1,142,915
Agency Programs	1,108,667

MONTANA COLLEGE OF MINERAL SCIENCE AND TECHNOLOGY

AGENCY DESCRIPTION:

The Montana College of Mineral Science and Technology was established by state statute in 1893 as a four-year state college. It is provided for in Section 75-8401, 8403 and 8407, R.C.M. 1947.

Montana Tech's goals are to offer the highest possible quality postsecondary engineering and scientific education in the mineral and energy fields and related areas, to offer similar quality education in selected supported liberal arts programs, to provide public and state services, and to engage in research.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana Tech has reviewed and will continue to review its employment practices, admission policies, and all other college policies and procedures to assure that

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it does not discriminate because of sex, age, race, physical or mental handicap, creed, religion, color, or national origin.

Where we have found problems in discrimination, we have taken immediate corrective action in all cases within our financial capabilities.

PROGRAM DISBURSEMENTS:

Instruction	\$1,409,408
Organized Research	1,438,459
Academic Support	292,504
Student Services	374,972
Institutional Support	471,324
Operation and Maintenance of Plant	495,918
Independent Operations*	900,518
Scholarships and Fellowships	206,598
Auxiliary Enterprises	466,522
Recharge Services Programs	154,061
Plant Programs	585,099
Agency Programs	52,746

*The Independent Operation Program (the Montana Bureau of Mines and Geology) is the only Montana agency working in the geological, mineral, mineral fuels, geothermal, hydrogeological, and geological hazard fields. The effort involves data collection and interpretation, both applied and basic research, and dissemination of data, data interpretation, and results of research to the public and state and federal agencies.

MONTANA STATE UNIVERSITY

AGENCY DESCRIPTION:

Montana State University is the land-grant university for the State of Montana. As one of the six coordinated units of the Montana University System, Montana State University provides undergraduate and graduate educational opportunities in agriculture, engineering, the sciences, humanities, and business. Additionally, Montana State University conducts research in areas of interest to the state and nation and provides public service through its facilities and staff.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Montana State University complies thoroughly with state and federal regulations regarding discrimination. We have an active and successful affirmative action program.

PROGRAM DISBURSEMENTS:

Instruction	\$13,729,299
Research	5,086,024
Public Service	154,336
Academic Support	2,685,537
Student Services	2,478,202
Institutional Support	1,940,308
Operation and Maintenance of Plant	2,077,147
Scholarships and Fellowships	1,499,830
Auxiliary Enterprises	5,839,576

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Recharge Services Programs	3,557,971
Student Loan Program	122,057
Plant Programs	4,307,206
Agency Programs	10,540,277

NORTHERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Northern Montana College exists to provide educational services to Montanans in two-year, four-year, and graduate degree programs. While in the main Northern Montana College serves the Hi-Line region students and public, it has a statewide mission to provide collegiate vocational-technical programs.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

In Fiscal Year 1978, several advancements were made by Northern Montana College in the area of eliminating discrimination:

1. Employment practices have been improved by more extensive advertising in an effort to hire more women and minorities.
2. The campus Affirmative Action Policy ensures equitable treatment of women and minorities.

PROGRAM DISBURSEMENTS:

Instruction	\$1,761,572
Public Services	24,288
Academic Support	278,729
Student Services	365,740
Institutional Support	376,747
Operation and Maintenance of Plant	436,421
Scholarships and Fellowships	167,623
Auxiliary Enterprises	914,415
Recharge Services Program	172,362
Agency Programs	522,395

UNIVERSITY OF MONTANA

AGENCY DESCRIPTION:

The University of Montana is a comprehensive institution of higher education. Its mission is to provide undergraduate and graduate education, research and public service for the people of Montana. This is accomplished through the College of Arts and Sciences and seven professional schools: Business, Education, Fine Arts, Forestry, Journalism, Pharmacy and Allied Health. Programs at the graduate and professional levels are rooted in the broadly based undergraduate programs in the liberal arts and sciences.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

The University's commitment to nondiscrimination in employment and educational programs is ongoing. The Equal Opportunity Officer at the University of Montana oversees institutional efforts to effect the Freedom from Discrimination Act and

to comply with federal nondiscrimination and affirmative action regulations. The Nonacademic EEO Committee and the Nondiscrimination Grievance Committee assist the Equal Opportunity Office in ensuring that the students, faculty and staff are not subjected to discriminatory practices.

PROGRAM DISBURSEMENTS:

Instruction	\$14,805,564
Organized Research	3,147,825
Public Service	71,021
Academic Support	3,036,977
Student Services	1,433,599
Institutional Support	1,754,459
Operation and Maintenance of Plant.	2,635,155
Scholarships and Fellowships	3,357,059
Auxiliary Enterprises	8,540,255
Recharge Services Programs	1,275,621
Student Loan Programs	95,391
Plant Programs	2,276,806
Agency Programs	2,084,035

WESTERN MONTANA COLLEGE

AGENCY DESCRIPTION:

Western Montana College exists to serve the citizens of the state by providing high quality, individualized, and personalized education for students who choose to attend.

AGENCY ACTIVITIES TO EFFECT FREEDOM FROM DISCRIMINATION ACT:

Western Montana College is an Equal Opportunity Employer. In filling open positions, we discriminate against no one on the basis of sex, color, creed or handicap and attempt to hire the best qualified persons available for each job.

PROGRAM DISBURSEMENTS:

Instruction	\$855,747
P blic Service	82,878
Academic Support	207,940
Student Services	389,001
Institutional Support	304,303
Operation and Maintenance of Plant	397,996
Scholarships and Fellowships	65,774
Auxiliary Enterprises	444,281
Recharge Services Programs.	24,068
Agency Programs	29,063

